

Friday November 1 1975

3.542

ten pence

32m building projects to keep jobless total down

Government announced yesterday £32m of building projects as part of its measures to ease unemployment. The £24m allowed to be spent mainly in assisted areas on housing council houses and on health service, education, and other local-service building.

Assisted areas will get most benefit

By John Brown

Building projects worth

£32m were announced

Government yesterday

to alleviate unemployment

announcement came as

figures showing

value of new orders

factored had dropped in

as a Midlands build-

er called on the Govern-

ment to declare a state of

emergency.

new projects, Mr Barnett,

secretary to the Treasury,

said mean an extra £24m

in England, £3.5m

and £2.5m in Wales and

Northern Ireland.

gements are being made

tely with local authori-

other organizations for

be commissioned from

1976-77. The work in

will be mainly in

areas.

projects authorized

ed to social and econo-

propos to which the

text are giving priority,

2 assistance to inner

as," Mr Barnett said.

England £12m will go on

meats to publicly

housing, £4m to

Health Service, £4m to

n building, and £4m to

ical services.

ly before Mr Barnett's

ment, the Department

Environment published

showing a heavy fall in

the figures show that

rent prices, orders fell

£640m in July to only

three-month totals,

ally adjusted, new orders

three months ago, they

as expressed as constant

prices were 18 per cent

than in the previous

months, March to May,

per cent higher than in

August last year.

trial and the commercial

and worst. Orders for

industrial building were

20 per cent on the

three months and by

ent on the comparable

period last year. Commercial

orders were up by 16 per cent

on the previous three months,

but down by 24 per cent on

last year.

Public works showed a big

increase: 54 per cent higher

than in the previous three

months and 24 per cent higher

than the corresponding period

last year.

The nation's difficulties

would be overcome only by a

general acceptance of a

national state of emergency, he

told a federation meeting.

The unions must use their

power to support the necessary

measures and restrain any

help to create a climate in

which industrialists and invest-

ors could increase the competi-

tive efficiency of industry and

restore it to a leading position.

Respectably there is no sign

of the huge gap, while a large

part of the labour movement

appears to be intent on the de-

struction of the present system

and the pursuit of doctrinaire

left-wing policies with scant

regard to the vital question of

national survival," he said.

Against that background no

government had any alternative

but to cut public spending, and

much of the effect of that in-

evitably fell on the construc-

tion industry.

It was incredible, he said, that

vast sums should be earmarked

for such "dubious and conten-

tious" measures as the Com-

munity Land Bill while the

health and education services

were starved of essential re-

sources. "Taken to its logical

conclusion we could end up

with a completely socialist state

populated by half-educated in-

valids."

Bricks: Provisional figures pub-

lished yesterday by the Depart-

ment of the Environment show

that brick production last

month was 436 million and de-

liveries 501 million. Stocks fell

from 622 million to 557 million,

equivalent to about five weeks'

production.



A Special Branch detective slumping after being shot in the hand by one of Dr Herrema's kidnappers yesterday.

Siege detective shot in hand

From Christopher Walker

and Stewart Tendler

Monasterevin

A Special Branch detective

trying to get into the upper

storey of the house where Dr

Tiede Herrema is held was shot

in the hand by one of Dr

Herrema's kidnappers yester-

day. The detective was at a

rear window of the council

house in Monasterevin, Co

Kildare.

The shooting happened on the

eleventh day of the siege after

the Irish police changed from

their waiting tactics similar to

those adopted by Scotland Yard

at the Spaghetti House restau-

rant in London.

Two detectives, wearing flak

jackets and riot helmets, were

seen climbing two ladders which

had been placed against the

back of the house. One

man had a bulletproof shield

and seemed to be cutting the

glass for about four minutes

under the cover of his colleague

when a shot rang out.

The detective on the right-

hand ladder doubled up and

slumped slowly while his col-

league clambered down out of

the firing line. The injured man,

who was taken to hospital in

a military ambulance, was stated

to have been hit in the hand

and not seriously injured.

The shot was believed to

have been fired from a .38

revolver which the kidnappers,

Eddie Gallagher and Marina

Corle, had previously used to

fire at detectives who burst in

shortly after dawn on October

21. They are believed to have

a large supply of ammunition.

Yesterday's shooting was a

setback to the police attempts

by the police and Army to reach

a negotiated surrender by the

kidnappers, who have re-

peatedly insisted on the

politically unacceptable demand

of the release of three

republican prisoners in ex-

change for the life of Dr

Herrema, a Dutch industrialist.

The shooting came after two

Continued on page 2, col 7

More 'cod war' trouble feared

By David Spauler

Diplomatic Correspondent

It seems there will be

trouble between British

trawlers and Icelandic patrol

vessels later this month, even

if another round in the "cod

war" itself is averted.

The reason: clashes are

expected to be the ministerial

talks on a new agreement, are

unlikely to be resumed before

the present agreement runs

out on November 13.

Scientists from both sides

are to meet in Reykjavik on

November 5 to discuss an Ice-

landic study on conservation.

But the ministers concerned,

Mr. Amundson, Icelandic

Foreign Minister, and Mr. Har-

terley, Minister of State at

the Foreign Office, are too

busy to meet until about the

middle of the month.

Mr. Harterley has already

proposed to stop the clock

by extending the existing

arrangement if the deadline of

November 13 is overruled. On

the Icelandic side, there is

determination to enforce their

200-mile limit. The risk is

that there will be clashes,"

Icelandic sources said.

The experts' report proposes

a "reduction" in the total

amount of cod taken in Iceland

waters from 340,000 to

230,000 tons a year, that is a

reduction of about one third.

If the British industry

accepted such a cut in its

present permitted catch of

130,000 tons a year, although

Mr. Harterley has not

suggested such a figure, the

new figure would be about

90,000 tons. But even that

severe reduction would prob-

ably not be enough to satisfy

the Icelanders.

Condition of General Franco worsens as Prince Juan Carlos takes over

From Harry Debelius

Madrid, Oct 31

As Prince Juan Carlos pre-

sided over a Cabinet meeting

today after his takeover as

acting Chief of State, a bulletin

issued by 24 doctors announced

that General Franco, already

gravely ill, had developed per-

itonia.

The Cabinet meeting was the

first to be held at the Prince's

Zaragoza Palace, rather than at

El Pardo. But it was the third

under the Prince's leadership.

He presided over two last year

during his previous six-week

stint as deputy for the ailing

general.

The takeover, although offi-

cially considered temporary, is

expected to be permanent, ex-

cept for one foreseeable inter-

ruption. The Fundamental Laws

specify that the Prince cannot

take over after the death of the

general until he has been for-

mally named by the Council

of the Realm and the Cortes

(Parliament). This process

might take as long as eight

working days from General

Franco's death.

Thus the Prince can expect

to be temporarily replaced by

the three-man Regency Coun-

cil in the interim preceding his

formal nomination as King. The

President of the Regency Coun-

cil, the Council of the Realm

and the Cortes is Señor

Alejandro Rodriguez de Valcar-

los, a representative of the so-

called "bunker forces".

As the Prince settled in to

his new job, events in various

parts of the country posed prob-

lems which could easily become

threats to his position. In Bar-

celona, it was learned that two

suspected members of the

Maotist organization, Prap

(Revolutionary Anti-Fascist

Front), are to face

court-martial on charges of ter-

Pay redistribution plan causes split among junior doctors' leaders

By John Roper

Medical Reporter

Hopes were expressed by

doctors' leaders last night that

their government proposals

would end the junior hospital

doctors' pay dispute.

The proposals, although mak-

ing no new money available,

convinced that no doctor will

lose money in his present job,

but will postpone gains from the

introduction of their new

contract.

The proposals are to be put

in a new national ballot, the

form of which is to be decided

HOME NEWS

Parliament Act almost certain to be invoked against Lords to enforce passage of Government's Bill on the press

By David Wood

Political Editor

Government business managers were taking it for granted last night that the Parliament Act, 1911, as amended in 1949, will have to be invoked to carry Mr Foot's Trade Union and Labour Relations (Amendment) Bill in spite of opposition in the House of Lords. But the Government cannot begin to do it until January 4 next.

The issue over editorial freedom, Lord Goodman, Mr Wilson's solicitor and a close friend of Mr Foot, has not been able to agree with the Government on the question. Not less important, he has not been able to agree with Lord Hailsham of St Marylebone and consequently the Conservative and some crossbench peers, about how to give legal force to the protection of editors.

On Monday evening the House of Lords is to consider Commons amendments (that is, Mr Foot's) to the peers' amendments (that is, Lord Goodman's); and last night at 5 pm all Lords amendments had to be tabled with the public. The office of Lord Hailsham had his amendment tabled in good time; Lord Goodman,

negotiating with parties across a spectrum as wide as Genesis to Revelations, at last tabled his amendments.

No compromise now seems possible. On Monday night the Lords will carry either Lord Hailsham's or Lord Goodman's amendments to the Bill or more probably both. That will mean the Government Bill falls in the present session. It will be reintroduced next January, under the conditions prescribed by the Parliament Act, and at next time of asking the Lords will not be able to impose any delay.

According to the urgency the Government attaches to the measure, and of course to Mr Foot's consequence in the Cabinet, the Bill could reach the statute book in its original form from March or April onwards, although it will still have to go through all stages again in both Houses.

It is no secret at Westminster that Lord Goodman and Lord Hailsham had a fierce argument a fortnight ago, behind the scenes, about whether Lord Goodman's proposed amendments would have sufficient force of law to protect editorial freedom. That argument has not been resolved.

For Monday Lord Hailsham has tabled an amendment, which will be heavily supported by Conservative and some crossbench peers, providing that the editorial freedom charter shall include protection for any aggrieved person who can establish that he has suffered "material or pecuniary loss", which apparently opens the way to a civil action for damages.

Lord Hailsham, who describes his amendments as "conciliatory", also wants to ensure that any decision on a complaint under the proposed charter "shall be enforceable in like manner as an award in pursuance of an arbitration agreement by an arbitrator in accordance with the provisions of the Arbitration Act, 1950".

That is not acceptable to Mr Foot or the Government. Nor is Lord Goodman's amendment, as tabled last night.

Lord Goodman would provide that "any rule, agreement, act or conduct which is in pursuance of the charter shall be deemed to be contrary to public policy" and that "nothing in the charter or freedom of the press shall be taken to restrict or abridge

any right existing by statute or common law".

He would also define "editor" as including any deputy, and "material" as including "any matter printed or intended for printing or broadcast or intended for broadcast by television or radio".

In short, there is still an unbridled gap between Lord Hailsham and Lord Goodman; and Lord Carrington, leader of the Opposition peers, will certainly bring the fullest available numbers against the Government to carry the Hailsham provisions for legal enforceability of editorial freedom.

But Conservative and crossbench peers, with their loose discipline, could equally carry the Goodman amendments.

Next week, therefore the Bill will return to the Commons in what the Government considers to be an unacceptable form. The Commons will insist on Mr Foot's provisions, and the Bill will go back to the Lords on October 11, the day before the session is prorogued. If no agreement has been reached between the two Houses on that day the Trade Union and Labour Relations (Amendment) Bill will fall for the present session.

At that point no doubt Lord Shepherd, Lord Privy Seal and government leader in the Lords, will announce that the provisions of the Parliament Act will be invoked.

Another bill, which the House of Lords, at the second time of asking, refuses to carry the Bill to Mr Foot's liking.

Next session, after being reintroduced in late January after the Christmas recess, the Bill has to go through all its stages in the Commons before going to the House of Lords.

Lord Hailsham or Lord Goodman, or both, reintroduces their present amendments to alter the Foot provisions, the Lords' suspensory vote automatically expires under the Parliament Act and the Bill would carry to Royal Assent.

Another bill is also going to fail. Next Friday the House of Commons will vote on a private member's measure but now adopted by the Home Office, will be up for second reading in the Lords. Government business managers admit that it can get no further this session because of prorogation on November 12. It is likely that the Government will try to find time for the Bill early next session.

Britain 'is nearing moment of decision'

Mrs Thatcher, the Leader of the Opposition, said in Birmingham yesterday that Britain was approaching a "moment of decision".

The nation could carry on towards a mediocre future or reverse that depressing but well established trend.

For her there was no choice. She intended to be the first woman prime minister of Britain, but not of a mediocre and declining Britain.

Mrs Thatcher, who was addressing Conservative Party workers from 31 West Midlands constituency, attacked the Government for paying lip service to the mixed economy while denying private industry the resources, opportunities and freedom to give of its best.

She said Labour's main objectives included taking over private companies, nationalising the banks, levying still higher taxes and directing savings into industrial investment. Socialism-controlled councils were becoming ambitious to interfere in more and more aspects of local life and commerce. If the Labour Party had its way, what the Government did not control, the local council would.

Nationalization, Mrs Thatcher said, had provided prospects for the customer, higher prices for the taxpayer. "It is to private enterprise that we must look for the new jobs, the new products, the additional exports."

Vegetarian anger over exclusion from study unit

By Our Agricultural Correspondent

Organizers of the new agricultural "think-tank" retreated hastily yesterday from state-aided vegetarianism when the user's existence was announced.

The Vegetarian Society protested about the apparent proposed exclusion of vegetarians from the Centre for Agricultural Strategy, set up at Reading University with a grant of £250,000 from the Nutfield Foundation.

Lord Rothschild, chairman of the advisory committee of the centre, said on Tuesday that it would neither contain nor be influenced by vegetarians. Among others, Dr Alan Long, a research adviser of the society, said yesterday: "We resent the bar to employment of practising vegetarians in a centre that will 'examine objectively the nation's agricultural needs'."

Mr John Maddox, director of the foundation, said that Lord Rothschild did not mean in a literal sense that the centre would not contain vegetarians. He meant that it was to be closed to those who could be classed as extremists.

Professor John Bowman, director of the centre, said from Reading that he would not exclude applicants simply because they were vegetarians. He added: "I am not very much in favour of employing cranks and I think that was the import of what Lord Rothschild was saying." Professor Bowman thought that some vegetarians could be cranks.

Two die in Belfast republican feuding

Two deaths and several other shootings marked the continuance of the feud between the Provisional and official IRA in Belfast yesterday.

First Mr Seamus McCusker, aged 38, married with four children, was shot dead by gunmen from a passing car. He was the controller of a Provisional Sinn Féin incident centre in New Lodge Road.

Later Mr Thomas Berry, a leading Republican Club (official IRA supporter) member, was shot dead as he left a club in Short Strand.

Mr Seamus McCusker, married with four children, was shot in the head as he walked along New Lodge Road.

A spokesman for Provisional Sinn Féin, the political wing of the Provisional IRA, said Mr McCusker had been arranging a press conference when he would have produced a number of women who had allegedly been beaten up by the official IRA. At least one of the women had been with him when he was killed.

In another part of the city Miss Angela Gallagher, aged 14, a Roman Catholic, was shot in both knees as she served customers in a Belfast pub, licence in Ormeau Road. Her condition in hospital was reported to be not serious.

Army headquarters said that five people had been detained in the Markets area of Belfast in an operation carried out after the shooting.

Police free four: Merseyside police announced yesterday that four of eight people detained as they arrived in the port of Ireland this week had been released after questioning.

Correspondents (wires). The rest were still being held under the Prevention of Terrorism Act. It is understood that they had attended as a party a republican conference in Dublin.

Kidnap siege setback as entry attempt fails

Continued from page 1

days and nights of protracted conversations between Mr Gallagher, Miss Coyle and Chief Supt Lawrence Wren, the Irish counter terrorist expert, who has been negotiating with them up the narrow stairwell of the house for nearly a week.

The change in police tactics, which reflects the frustration over the apparent stalemate in the siege, is understood to have been approved by the Irish Government after diplomatic exchanges between the Irish Minister for Foreign Affairs and the Dutch ambassador to Dublin early yesterday.

Although officials declined to disclose why the detectives were working at the back window, it is known that, at the time they scaled the ladders, attempts were being made to attract the kidnappers' attention and to keep it at the front of the house.

By cutting out the panes of glass on the rear window, the police seemed to be hoping to provide a situation in which at some time they could storm the building when their monitoring devices showed that the kidnappers were sleeping.

Shortly after the detectives were hit, another report, this time sounding like a pistol shot, was heard outside. However, no official sources said that Dr Herrema's voice was still being picked up by the listening device. It was not clear whether he had been shot or not.

The shooting was the first positive indication to observers that the kidnappers remain defiant.

A report was immediately sent to Mr Patrick Conroy, the Irish Minister for Justice, and within an hour Mr Wren returned to the front room of the house to try to continue his shouted talks with the kidnappers.

By last night there was growing concern that the discovery of the attempt to enter the upper storey of the house in St Evin's Park could increase the risk to Dr Herrema. It dealt a serious blow to the limited trust that had been carefully built up over the past few days between the kidnappers and the police.

Ulster withdrawal call main Eire by-election issue

From Our Correspondent

Dublin. A by-election which takes place in two weeks' time will be the forum in which the Republic of Ireland Government and its opposition, Fianna Fail, will argue their differences over policy towards Northern Ireland which have arisen after Fianna Fail's call for British disengagement from the North.

The by-election, in West Mayo, was caused by the death of Mr Henry Kenny, a parliamentary secretary. It is due on November 12 and is crucial for both sides.

The government has decided to make no official statement on the opposition's change of policy towards Ulster and it seems certain that its stand on bipartisanship will differ from that of the opposition.

Officially, the Government's view is that the affairs of Fianna Fail are matters for the voters to decide. In the hustings this weekend law and order and the ambivalence of Fianna Fail on Ulster will be the main themes of Government speakers.

In a rural western constituency, traditional nationalism and Irish unity have much emotive power and it remains to be seen how far the dangers of the northern position have faded old loyalties.

The outcome of the election may also determine the future of Mr Lynch as leader of Fianna Fail. The parliamentary group's call for British withdrawal from Ulster has undoubtedly weakened his position and a defeat in West Mayo would leave it hazardous.

Inquiry into files complaint is concluded

From Arthur Osman

Birmingham

Mr Harry Robinson, Assistant Chief Constable (Crime) of West Midlands police, said yesterday that he had completed his inquiry into the affair of two sealed files deposited by the BBC to the firm of solicitors, who had opened the files and refused to return them.

Mr Robinson said he was preparing a report for the chief constable, and continued: "I am satisfied that there is nothing suspicious and that there is no suggestion of anything illegal in the correspondence contained in the file."

Mr Brian Gibson, editor of the BBC network programme, Day and Night, devoted to police matters, had deposited the papers for security, after receiving them from a retired senior police officer. They related to alleged corruption in the Metropolitan Police.

Mr Gibson has complained to the Law Society about the firm of solicitors, O'Dowd and Company, of Birmingham. He said that Mr Anthony Thomas, one of the firm's partners, had broken the seals without authority, read the papers, and then refused to return them to the BBC, believing they were stolen.

Mr Thomas said last night: "The papers were handed over to the police with the agreement of Mr Silk and Mr Gibson, which is all that we were after. I have no knowledge of the police inquiries apart from that."

Man sent for trial on charge of murdering three

Sabi Nikoloff, aged 51, formerly of Shackerade Road, Leicester, who is accused of three murders and other offences, was committed for trial to Leicester Crown Court yesterday.

Mr Nikoloff is accused of murdering Mrs Enid Cabanac, Police Sergeant Brian Dawson and Mr Terence Wilkinson, an ambulance man. He is also charged with attempting to murder Winifred Sheuton, Margaret Deyman, Mr Gerald Oakley and Mr Alan Christian and wounding Mr Thomas Dickman with intent.

He is further charged with damaging a house in Lambourne Road, Leicester, by fire with intent to endanger the life of Reatrix Nikoloff and Mr Bruno Nikoloff.

Jail for burglar found by dog in cathedral

James Berg, aged 30, who burgled and damaged Gloucester Cathedral seven times in seven years, was sent to prison for three years at Gloucester Crown Court yesterday.

Mr David Lane, for the prosecution, said that on the last occasion he broke a priceless medieval stained glass window which had been in the cathedral since 1460. A police dog sniffed out Mr Berg, who was rolled up in a bundle of underfelt in the lady chapel.

Since 1968 Mr Berg had smashed three windows at the cathedral, bent a silver cross, carved his initials on the altar and damaged the altar cross, Mr Lane said. The damage amounted to £365.

Mr Berg of London Road, Gloucester, who once worked in the cathedral, had maintained department, had admitted burglary and malicious damage.

Climber's widow to see the Queen

Mrs Beth Burke, widow of Michael Burke, the British climber who died attempting to reach the summit of Everest in September, has been invited to Buckingham Palace next Thursday.

She will meet the Queen and the Duke of Edinburgh.

Search for hospital to accept wife strangler

By Diana Geddes

The South West Regional Health Authority continued efforts yesterday to find a suitable mental hospital willing to accept John Brazil, convicted wife strangler.

But unions representing hospital workers in the region were doubtful whether their members would agree to his admission at any of the seven mental hospitals there.

Mr Justice Maise on Thursday reluctantly rescinded an order he made at Bristol Crown Court on October 3 sending Mr Brazil to Glenside hospital, Bristol, for treatment, after he had pleaded guilty to manslaughter on the count of diminished responsibility. Union members at Glenside hospital, however, threatened to strike if Mr Brazil was admitted.

The judge said he had "no alternative" but to pass what he considered a wholly inappropriate sentence of life imprisonment after having heard from the regional health authority that it was unable to find another suitable hospital to accept Mr Brazil immediately.

Mr Justice Maise added: "I find it very difficult to understand how it is that medical opinion has been overturned by those who are not nursing and have not had experience and skill of the doctors, and I find it hard to understand how it is that an order of this court is apparently incapable of being carried out."

The regional health authority said yesterday that Mr Brazil's admission to another hospital depended on the views of the consultant psychiatrist at the hospital. Mr Brazil was seen yesterday in the hospital wing of Horfield prison, Bristol, by the consultant psychiatrist from Tove Vale Hospital, Taunton.

Two other hospitals, which they would be willing to consider him if Tove Vale did not find him suitable for treatment there.

Mr Stephen Grant, regional officer for the Confederation of Health Service Employees (Cohse), one of the two main unions involved, said, however, he was certain none of the union members would be willing to accept Mr Brazil. Asked whether they too would threaten strike action, Mr

Grant said that was a matter for the branches.

There were no secure units in the south-west health area, he said. Glenside hospital did not even have checked wards. There were chronic staff shortages throughout the region and although Mr Brazil might be harmless, as had been stated, union members were very worried what effect the presence of such a man would have on the other patients.

Threatened strike action by workers at Glenside hospital was not "official" in that it had not been endorsed by the national executive, Cohse headquarters, in London, said. But the union supported the workers.

They felt strongly that there should be consultation with the local branches before a mentally abnormal offender was admitted to a hospital. Attacks on staff by patients were rising, largely because of the admission of such offenders, the union said. It was at present processing about 80 cases before the criminal injuries board of nurses injured in the course of their duties.

The NPA has not yet received any communication from the NGA. The NGA's latest report indicates that the NPA council will require to give serious consideration to the implications of the NGA's decision.

Such consideration would be against the background of the joint commitments already given by all sections of the industry that the NGA should be the preservation of the present number of national newspapers into the foreseeable future.

What, however, can be said now is that the NPA members in introducing new technology will be totally aware of the social implications involved and will want to solve the problems arising jointly with the unions that may be involved.

It must be obvious that both sides must attempt to avoid at all costs a situation which would bring immediate and compulsory redundancy. No union can now be unaware of the actual financial state of Fleet Street. Bearing in mind the detailed statement made by the NPA at recent national wage negotiations,

therefore, that there will be no further discussions unless these guarantees are given.

Any newspaper prepared to give these guarantees will find us ready and willing to deal realistically and constructively with their problems."

In response to the NGA's statement, the Financial Times last night released an extract from a statement made last week by its chief executive to the NGA chief (office branch) at the paper.

The extract said: "All developments will be subject to consultation with you. The management does not intend to ask for compulsory redundancies when we enter into technological negotiations. It will be up to the unions as well as the management to achieve the necessary changes without involving compulsory redundancies."

Mr John Le Page, labour secretary of the NPA said last night:

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They felt strongly that there should be consultation with the local branches before a mentally abnormal offender was admitted to a hospital. Attacks on staff by patients were rising, largely because of the admission of such offenders, the union said. It was at present processing about 80 cases before the criminal injuries board of nurses injured in the course of their duties.

The NPA has not yet received any communication from the NGA. The NGA's latest report indicates that the NPA council will require to give serious consideration to the implications of the NGA's decision.

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therefore, that there will be no further discussions unless these guarantees are given.

Any newspaper prepared to give these guarantees will find us ready and willing to deal realistically and constructively with their problems."

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The extract said: "All developments will be subject to consultation with you. The management does not intend to ask for compulsory redundancies when we enter into technological negotiations. It will be up to the unions as well as the management to achieve the necessary changes without involving compulsory redundancies."

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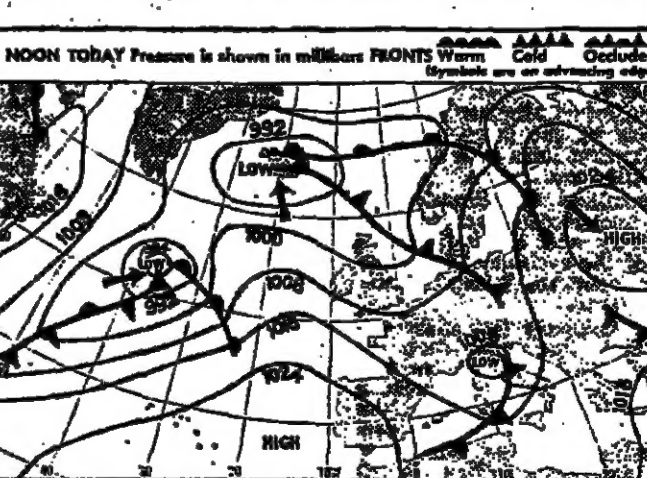
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Weather forecast and recordings



Today	Tomorrow
<p>Sum rises: 6.55 am Moon rises: 4.35 pm Sum sets: 4.35 pm Moon sets: 3.17 pm</p> <p>Lighting up: 5.5 pm to 6.25 am</p> <p>High water: London Bridge, 12.28 am, 7.0m (24.2ft); Avonmouth, 4.56 am, 12.6m (41.5ft); 5.18 pm, 13.1m (42.9ft); Dover, 6.36 am, 6.8m (22.3ft); 5.10 pm, 6.7m (22.3ft); Hull, 3.26 am, 7.1m (23.2ft); 4.10 pm, 7.1m (23.2ft); Liverpool, 8.29 am, 5.0m (16.5ft); 5.15 pm, 5.3m (17.4ft).</p>	<p>Sum rises: 6.55 am Moon rises: 4.35 pm Sum sets: 4.35 pm Moon sets: 3.17 pm</p> <p>Lighting up: 5.3 pm to 6.26 am</p> <p>High water: London Bridge, 12.6 am,</p>

HOME NEWS

Yorkshire miners may take over money-losing plant to save jobs and try to make a profit

Paul Routledge

Yorkshire miners are considering taking over the money-losing plant near Barnsley, which is due to close next year.

Officials of the Yorkshire Miners' Association insist that the plant, the National Coal Board's (NCB) £100,000-a-year loss-making plant near Barnsley, which is due to close next year, should be taken over by the miners.

The NCB has offered the plant for sale to the miners for £100,000, but the miners want to buy it for £200,000. The NCB has offered the plant for sale to the miners for £100,000, but the miners want to buy it for £200,000.

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works, which supply coke to the British Steel Corporation and other domestic markets, have been badly affected by the economic recession, which has cut back steel production, and by the pricing policies of the National Coal Board.

The miners' union has already laid plans to bring in new management. "I have in mind a man who could put this plant on its feet and make it a viable proposition, without interfering with any of the existing work force," Mr. Scargill said. "I do not think the problem is on the production side at all."

Mr Varley calls for high output and wages

By Our Political Editor

"We seek a high wage, high output economy based on full employment," Mr. Varley, Secretary of State for Industry, said when he spoke in Barnsley, Yorkshire, last night at the meeting of the Yorkshire branch of the Conservative Party.

He added that the industrial strategy the Government sought would be "worthless" until we break the back of the inflation which has been crippling us.



The winner of the finals of the Rediffusion Choristers Awards yesterday was Matthew Billsborough (centre), aged 10, of High Wycombe. Ian Simcock (left), of Solihull, was second and Martin Ford, of New Malden, third.

Mr Shore gives import-curb warning

Bonn, Oct. 31.—Mr. Shore, Secretary of State for Trade, said in Bonn today that he did not foresee any quick improvement in the British economy and that if the world economic situation did not get better Britain might have to impose import restrictions.

Speaking at the end of a five-day tour of European capitals, he said he had warned Britain's partners in the EEC that if the world economic recession continued London might have to impose import restrictions to protect British industries.

Newspaper given reprieve

The Scottish Daily News remains in financial difficulties but has been reprieved for at least another week, although the staff have been given notice.

That was announced yesterday by Mr. James Whitton, the provisional liquidator.

Mr. Whitton said the decision to continue publication was in the interests of all concerned. On Thursday, he added, he had received a telex message from Mr. Robert Maxwell, the publisher, which said:

Move to make firms pay for oil pollution

By a Staff Reporter

Nine European countries, meeting in London, agreed on proposals to impose strict liability on oil companies for any damage caused by oil pollution from their North Sea operations. But they failed to agree on how much money oil operators should set aside to cover any liabilities.

The countries are to meet again in London in January to complete that discussion.

Among the unresolved issues was whether oil companies would be liable for pollution resulting from terrorist attacks. It was agreed that they would be liable for pollution arising from "acts of God", including damage caused by a storm.

With is found ty of anic' murder

Our Correspondent

South of 17 who had evil and satanic spirits living in him into the killer of a girl, was yesterday found to be a fraud.

A jury at Crown Court, after a 45-minute retirement, found that Bell, guilty of murdering a girl, was a fraud.

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Impose 200-mile fishing limit, Mr Powell says

Britain should declare a 200-mile fishing limit and police it, Mr. Ennoch Powell, MP, said last night.

"Then anybody who wanted could negotiate with our own arms, as the Icelanders forced us to do on theirs," he said.

Speaking at Kilkenny, Co. Down, Mr. Powell, Ulster Unionist MP for Down South, said he had no love for unilateral action, but in the matter of territorial waters times had changed.

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MP urges the deferment of legislation on devolution

By Our Political Editor

Devolution would be a monumental and irreversible step for British democracy and we cannot afford to get it wrong," Mr. Neil Kinnock, the left-wing Labour MP for Bedwelly, said in Glasgow last night.

Now was the time, he said, to debate the merits of the various decisions, and "there should be no conclusive legislation in the 1976 parliamentary year."

w magistrates with special knowledge should act

Mr. Harrison

Chief Justice, Mr. Justice O'Connor and Mr. Justice Lawson

On which justices failed to act on the evidence should be stated by the court when dismissing a case.

The court was told that the justices had failed to act on the evidence.

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Woman's work began before she clocked in

Regina v. National Insurance Commissioners, Ex parte East

Before Lord Widgery, Lord Chief Justice, Mr. Justice O'Connor and Mr. Justice Lawson

[Judgment delivered October 29]

An employee who changes into her working clothes in the staff changing room, and then goes to the cashier before clocking in for work, is deemed to be acting in the course of her employment, and is entitled to industrial injury benefits.

Queen's Bench Division

Various decisions were cited to the commission, and which those decisions before him he should have asked himself whether, when the question was whether the accident occurred in the course of her employment, she had entered the course of her employment. If he had asked that, he must have answered that she had. Then he should have considered whether her visit to the canteen was an interruption that took her out of the course of her employment, and to that his answer should have been that it was not.

Mistaken belief no defence to drug charge

Haggard v. Mason

Before Lord Widgery, Lord Chief Justice, Mr. Justice O'Connor and Mr. Justice Lawson

[Judgment delivered October 29]

Where an offer is made to supply a controlled drug to another person, it is not a defence to the charge that the offer was made in mistake.

Legal editor is to retire

By Our Legal Correspondent

Professor Arthur Goodhart, QC, is to retire from the post of legal editor of the *Law Quarterly Review*, the influential academic legal journal.

An American citizen, although he has worked in England since 1913, Professor Goodhart, aged 84, has achieved many academic honours, among them Professor of Jurisprudence at Oxford and the title of Lord of the Manor.

He added that the present unfair and unrepresentative system might lead to a decisive majority in a Scottish assembly for a party which "while giving only a third of the Scottish vote will lead Scotland out of the United Kingdom."

Mr. George Gardiner, Conservative MP for Reigate, said in his constituency that Mr. Wilson and his Cabinet were "intent on making English nationalists of us all."

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The order was approved. The Petroleum and Submarine Pipe-lines Bill was read the third time and passed. After consideration of some amendments to the Commons and enactment of the Children Bill, the House adjourned at 4.39 p.m.

High	Low
47 (15.06.72)	60.14 (12.72)
23 (23.10.75)	61.42 (08.09)
18 (23.12.74)	60.16 (12.72)
33 (22.01.73)	120.50 (15.72)
17 (15.09.72)	174.49 (10.11)
17 (31.12.77)	122.23 (12.09)
28 (14.01.76)	110.75 (28.06)

Flat Interest Held.
Dividend.

by Malcolm Bradbury

"They too could give, if asked," says "May I continue?" asks Zachery. "Fascism is therefore an elegant sociological construct, a one-system world. Its opposite is contingency or pluralism or liberalism. That means a chaos of opinions and ideas, hence a people who find that hard to endure. But in the interests of it, I think we must ask Professor Mangel to come here and lecture."

"Then you'll get your chaos all right, if he does," says Foady. "You know what the radical feeling is about this. You know what upsur and violent protest there always is when someone like Zachery or I am invited to lecture at a university. The same will happen with Mangel." "Justified violence and protest," says Moira Malkin. "I'm extremely disturbed, Mr. Chairperson," Dr. Marvin says, "and so many of my colleagues stopping us from inviting someone we haven't even invited." But now there is much shouting across the table, and Professor Mangel is started, and bangs his wofles of felt down hard onto the desk in front of him, before something like silence returns. "Gentlemen!" he shouts. "Persons!" "Oh, Howard. Howard, is this you?" says Flora. "Flora," whispers back Howard. "Stop taking the table to bits once it's left the ground." "You're playing games," whispers Flora. "I've been spoken for," says Howard. Professor Marvin now resumes his seat. He waits for full quietness, and then he says: "Well, Dr. Zachery has proposed a motion, which is not on the table, that we, in this department, should. So I now issue an invitation to Professor Mangel to come and lecture here. Does that motion have a second?" "Go on, Flora," whispers Howard. Flora puts her wofles on the table. Says Marvin, "well, let me briefly note that this issue could become a bone of severe contention, and remind the department of the experience of other universities that have ventured in this unduly charged area, before I put the motion to the vote. Let us be cautious in our actions, cautious but just. Now may we vote. Those in favour?" The hands go up to the tables; Benita Pream rises to count them. "And those against?" Another group of hands, some waving violently, go up; Benita Pream rises once more to count these. She writes the results down on a piece of paper, and slips this over the table to Marvin, who looks at it. Well, he says, this motion has been carried. By 11 votes to 10. I'm sure that's just, but I'm afraid we've

mitted ourselves to a real bone of contention. There is support at the time," she states. "I certainly should be Melissa Todoroff, and it is now that I am in a position of order from Dr. Pream, a constitutional spirit dedicated to such precision as point of order, it is discovered that Miss Todoroff is not, as a visitor, formally a member of this meeting at all, and therefore has been voting without entitlement, and so she is taken from the room, shouting, "Sisters, rebel!" and, "Of the Sisters, The Sisters!" series. Howard's hand goes up. "Mr. Chairman," he says. "At this point out that the vote just taken—and passed by only one vote—is now clearly invalid, since Miss Todoroff's should not have been cast." "I had seen that constitutional point," says Marvin. "I am afraid it leaves us in a very difficult position. You see, that applies not only to the last vote, but to all the votes taken throughout the meeting. Unless we can see a way round it, we must have a standing entire meeting from the beginning again."

There are groans and shouts; Benita Pream, meanwhile, has been fumbling through papers; now she looks up, and says, "I am going into the ear of the chair. The chair says: "Oh, good." There is still much noise in the room so Marvin taps the table. "I feel quite sure," he says, "my colleagues will be able to tell me that it is undesirable to return this entire meeting. It now appears that this is the only motion today which we passed on a margin of one vote. With the consent of the meeting, I will assume a other votes satisfactory. Do have that?" The sociologist weary from the fray, agrees. "Now, our last vote," says Marvin. "As your chairman, I have to consider the motion here very carefully. Do we happen to know the way I Todoroff voted?" "It seems to me rather obvious," says B Zachary, "from her comment on leaving." "Then, I judge," says Marvin, "Miss Todoroff should be the vote. When one individual's vote can't be singled out in this way, it is a system's wrong." "I think there may be another way," answers this says Marvin, "I think to another vote. Benita Pream, "I think I resolved it, I hope to the satisfaction of this meeting." The meeting looks about itself; it does not have the air of a vote. "I am going to assume Todoroff had voted against the motion," says Marvin, "and we simply subtracted her vote, that would leave the voting 11 to nine, with the motion carried. Do we agree?" In the room, a woman on the other hand she had voted in the motion, and her vote was subtracted, that would give a tie, at 10-10. But in the event of such a tie, if as chairman would have to be carried. "I am not sure of the circumstances, and only because of the circumstances, as a pure matter of procedure and not of preference, I would have had to vote for the motion. Either way, therefore, the tie may be presumed to be carried."

There is once again much uproar. "Wishy-washy liberal equivocation," shouts Mira Milliken, while her "aby squawks" fill her chair. "I am going to assume," says Roger Fundy, "I can only tell that, that I do not myself gratify relish the idea of Mangel visiting this campus. Not because what has been said about him is true, but because I am sure we as a department do much better without these contentious situations. But this has been forced on me, and there was no other way procedurally for justice to be done." A woman cries, "Justice!" "Justice," cries Roger Fundy, "Democratic justice is clear injustice." "You always seem to find it convenient when it is in your favor," says Marvin. "I am going to make a motion, through which some thanks for the vote to be returned, and the level of the lake outside continues to rise, and the darkness increases beyond the big windows with the building lighted up. The dump-trucks have been put away; but, high in the dark the lights of the Durkheim Room shine bright. The meeting ends on, and then, at 11:30, the lights of the Durkheim Room's alarm clock, and it is over. Or almost over, for even now they have to consider a proposal that, since there has been no fee interest, the fee interest be paid for the actual consumption of the tea and the biscuits; it is this sort of national time rift is finally used to justify the fact that the meeting has gone on for a few minutes in order to consider whether it should go on for a few minutes longer. The sociologists list and disperse: Professor Debbin, who has not spoken at all, but who is not asked at all, will take him to the bathroom; in the corridor outside the Durkheim Room, caucuses bubble and discuss coming up next. And they are very quiet, says Flora Beniform and says, "I am going to the room." Well, says Howard, "some of these bones of contention are very hard to resolve." "You've never had that trouble before," says Flora. "You want Mangel. You want a fight."

"Who, me?" asks Marvin, innocently, as they get into the lift.

This extract is from Malcolm McCulloch's novel The History Man, which will be published on Monday by Secker & Warburg at £3.50.

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...and Overseas

Travel

Liverish with Metallic Water in Crete

The main road from Heraklion to Rethymon runs, wide and well surfaced, along the north coast of Crete and, for several miles, straight and close to a long, sandy beach. Every now and then a notice indicates where access is possible, and it was inevitable, on a hot afternoon, that we should pull into one of those parking areas and change for a swim.

The area around our parked car was littered with paper and plastic rubbish, discarded food, film and cigarette packets and other grubby evidence of unthinking humanity. And on the beach, which had looked so tempting from the passing car, we found more scattered rubbish, right down to the water's edge where the sea had discarded its burden of debris and balls of oily tar. What should have been a pleasant and refreshing break turned into a nose-wrinkling nightmare and one of the biggest disappointments of our visit.

The same disappointment awaited us to the east of Agios Nikolaos where a companion who knows the island well took us to her "special" beach. Exactly 12½ kilometres from Agios Nikolaos, the main road to Sitia runs high above the sea, but offers a place to park and admire the view which is, in all respects, worthy of admiration.

A bay, almost circular and virtually landlocked, lies below the observation point. Its waters are unbelievably blue and there is a fringe of sand around it—not wide, but firm packed and enjoying the shelter of rocks. One gets to the beach by walking carefully along the edges of cultivated fields, between the olive trees, but the walk is fruitless for the beach is similarly fouled. For some reason, the day we were there, the sea edge was littered with plastic bags, floating in and out with the waves. An onshore wind pushes them into the bay where they are trapped.

I do not expect for one moment that the authorities on Crete can do anything about rubbish dumped out at sea, about oil and other maritime pollution. But Crete is unnecessarily grubby in many respects. It would take little cost or effort to provide rubbish bins at the roadside parking places or recruit a beach cleaning squad, if only on the smaller stretches. We called at the "12½ kilo-

metre" beach on our way to Ierapetra, claimed to be the most southerly town in Europe at latitude 35 degrees. It is, in fact, the only town on the island's southern coast and has a reasonable beach of coarse, dark sand on which a large hotel is being built. ("It has been like that for a very long time," I was told, when I asked when the work would be completed.)

The promenade at Ierapetra is lined with white painted tamarisk trees, under which are set the tables of different cafes. We met few obvious visitors, noticing that the tables were occupied, for the most part, by local men playing backgammon and constantly twirling komboloi, the "worry beads" without which, presumably, a Cretan would feel insecure and worried. For us, Ierapetra was a "pausing while" place though it is possible to stay there on holiday, and at cottages in nearby villages.

Our most ambitious journey was along the north coast to Chania, the island's administrative capital. Towards the end of the journey the road has magnificent views over Souda Bay but a crop of notices in half a dozen languages warn the visitor against stopping or taking photographs. One glimpses the warships and the protective boom, but as Souda is the port of arrival for the ferry from Freetown, I doubt if any of its secrets remain. Certainly none that would be spotted by a camera lens.

We stayed at the C category hotel Dora, a simple place, but spotlessly clean and extremely comfortable. A double room with private shower and lavatory cost 355 drachmas per night, including breakfast, which worked out at a most reasonable £2.55 per person at the prevailing exchange rate. Breakfast was served in an unusual four-floor dining room, with a view over the town and sea. The room was crammed with mementoes of the past—old photographs, mainly, but also shelves filled with pottery and brass utensils and a collection of enormous keys hanging from a single wire.

At least one British travel company (Just Crete) plans to use the Dora next summer and I certainly recommend it to anyone looking for good, inexpensive accommodation. The visitors' book, resting proudly on a side table near the reception desk, is crammed with favourable comments in English, French, German and Italian (and what I presume to be favourable comments in a

couple of other languages, too). The habit of leaving a visitors' book prominently on display is a very good one—more effective, in my view, than any rules and regulations, government inspections and star systems.

As for eating out, those who know Chania would unhesitatingly choose the harbour area, lined as it is with a good selection of establishments. We hesitated a while before following that line, but finally did so, being fortunate to choose a very good restaurant whose tables were spread over the wide quayside. Simply watching the strolling crowds was entertainment enough although in this particular restaurant, as in most others, the English translation of the menu provided amusement.

Having elsewhere been offered "Metallic Water" (for Mineral, presumably) and "Italic Vermouth", we settled that evening for a variety of dishes which included "Shrimps frigate" (fried shrimps never tasted better) and generous portions of "Liverish". But of all our mealtime reading matter, I fondly remember the words written on the inside of a wine label. A most pleasant bottle of Minos white wine, it was, which when emptied revealed the slogan "Wine makes everybody hopeful—Aristotle." A thought to remember when, after wine, one is feeling hopeless.

Crete is an island to which I shall, hopefully, return and which I enjoy. I am not "over the moon" about it, as are some of my friends and fellow writers, and I see some of its faults. There is, too often, a careless grubbiness about the place, epitomized by the beach rubbish, and though the Cretans I met socially were without exception friendly and charming, the ones I merely encountered struck me as dull.

When I wrote about Crete a few weeks ago, I said I would mention some of the tour companies featuring the island in next summer's holiday programmes. Too few of those programmes are yet available, but I see that Thompsons are offering holidays to the Elounda Beach hotel as well as three hotels in Agios Nikolaos, while British Airways Enterprise offer Heraklion, Mallia and Agios Nikolaos. The travel trade is most concerned over the British Airways guarantee that holidays booked before January 15 will carry no surcharges, arguing that to follow suit would be commercially suicidal and throwing around dark hints that British Airways can only make such an offer because they are cushioned from economic reality by the taxpayer. (A claim hotly denied, it must be said, by Enterprise

executives.) Be that as it may, the Enterprise brochure prices compare very favourably with those in the Thompson brochure, although an exact comparison is impossible. The closest one can achieve is to compare a two-week holiday in early June to a "B" class hotel in Agios Nikolaos.

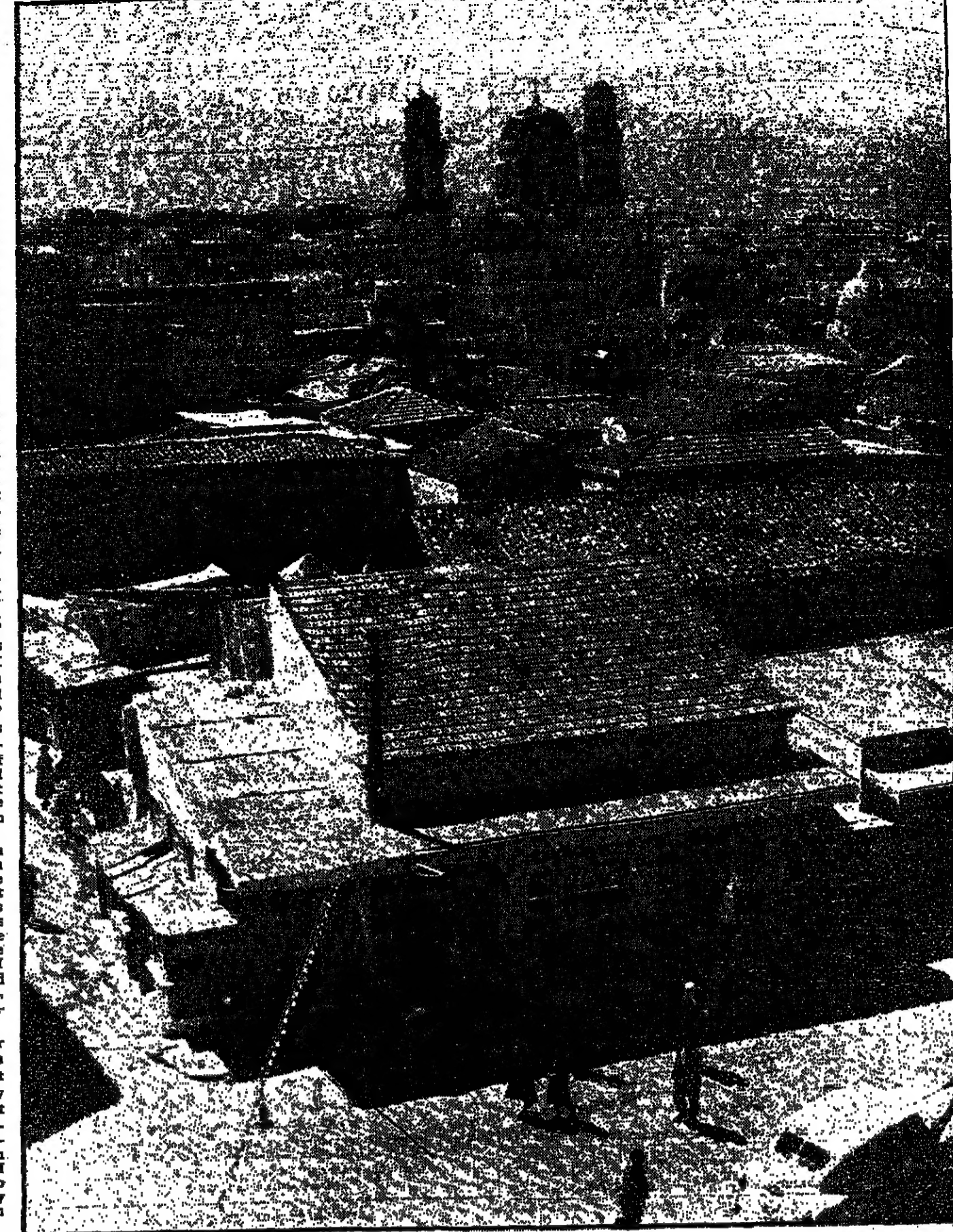
Flying from Luton on a Wednesday morning, Thompsons price the holiday at £153. Enterprise, flying from Gatwick on Tuesday morning, charge £160. The hotels used are the Coral and the Ariadni Beach respectively, and the accommodation is on a half-board basis. The question is whether that £2 difference will be enough to enable Enterprise to absorb any fuel and currency surcharges between mid January and next summer—the latter being the unpredictable element.

If you live in the Birmingham or East Midlands area, then the advantage of flying direct from the region is incorporated in holidays offered by Horizon Midlands, whose Cretan destinations are Mallia, Elounda, Heraklion (a village 17 miles east of Heraklion) and, of course, Agios Nikolaos. Two weeks to that same Ariadni Beach on half board terms in early June will cost £166.

If you require a thoroughly inexpensive holiday, then I understand Thompsons plan more of their "Wanderer" holidays next summer. Prices are not yet finalized, but I expect a two-week holiday in June to be offered for around £88.50. These "Wanderer" holidays incorporate vouchers for youth hostel accommodation, although a number of visitors I met on Crete had chosen to make independent arrangements at inexpensive hotels (such as the Dora, in Chania).

Finally, I must mention an excellent small company which specializes in holidays to the island—applied named Just Crete. Its programme offers hotel and villa holidays, as well as "village houses" where one can stay and really become part of the local community. I was particularly impressed with the village house at Kritza, in the old quarter of that village, the largest in Crete.

John Carter



Heraklion, in Crete... an enjoyable island, but there are snags.

Chess

The master race

In chess we make great play with the word and idea of master. I am not now writing of the grading or rating schemes and the technical description of players along numerical lines; when I write master, I mean literally one who is master of his trade or profession. In that sense, while it is obvious what I mean, the qualities that go to make up what still might be termed a *rara avis* are not so clearly defined or known.

The essential quality is that of dedication. Nothing else must matter except the obtaining of a genuine mastery of the game. Naturally, such a dedication means in turn an idealistic frame of mind that neglects the more material aspects of society. Hence, I think, the popular image of the chess-master as a bohemian figure with his head in the clouds.

Dedication is not enough, however. I know a fair number of players who are passionately devoted to the game but cannot and may not ever deserve the

description of master. Also necessary are natural gifts. Basically these are powers of concentration and imagination, which must be greater than is normal. One takes for granted that the master has the normal capacity for logical thinking and calculation.

But these natural gifts must not be too many or too varied. Indeed, it is in self-limitation that the master really shows himself. Excel in too many fields, and your chances of reaching the heights in one, at any rate, diminished. Thus, Dr Savile Tartakover, a great chess-player with all the attributes of a world champion, never became one since he displayed them in too many fields. Master he was, but world master never. Sad that the witest of all chess-masters died a disappointed man in the consciousness that he had never attained the position to which his gifts fully justified him.

However one looks at it there was quite a deal of refined art in the following game, for which

Ray Keene was awarded the brilliancy prize in the recent Zonal Tournament in Barcelona. White: S J Hutchings Black: R D Keene French Defence

1 P-K4 P-K3 2 P-Q4 P-B3 3 P-Q4 P-K3 4 P-Q4 P-K3 5 P-Q4 P-K3 6 P-Q4 P-K3 7 P-Q4 P-K3 8 P-Q4 P-K3 9 P-Q4 P-K3 10 P-Q4 P-K3 11 P-Q4 P-K3 12 P-Q4 P-K3 13 P-Q4 P-K3 14 P-Q4 P-K3 15 P-Q4 P-K3 16 P-Q4 P-K3 17 P-Q4 P-K3 18 P-Q4 P-K3 19 P-Q4 P-K3 20 P-Q4 P-K3 21 P-Q4 P-K3 22 P-Q4 P-K3 23 P-Q4 P-K3 24 P-Q4 P-K3 25 P-Q4 P-K3 26 P-Q4 P-K3 27 P-Q4 P-K3 28 P-Q4 P-K3 29 P-Q4 P-K3 30 P-Q4 P-K3 31 P-Q4 P-K3 32 P-Q4 P-K3 33 P-Q4 P-K3 34 P-Q4 P-K3 35 P-Q4 P-K3 36 P-Q4 P-K3 37 P-Q4 P-K3 38 P-Q4 P-K3 39 P-Q4 P-K3 40 P-Q4 P-K3 41 P-Q4 P-K3 42 P-Q4 P-K3 43 P-Q4 P-K3 44 P-Q4 P-K3 45 P-Q4 P-K3 46 P-Q4 P-K3 47 P-Q4 P-K3 48 P-Q4 P-K3 49 P-Q4 P-K3 50 P-Q4 P-K3 51 P-Q4 P-K3 52 P-Q4 P-K3 53 P-Q4 P-K3 54 P-Q4 P-K3 55 P-Q4 P-K3 56 P-Q4 P-K3 57 P-Q4 P-K3 58 P-Q4 P-K3 59 P-Q4 P-K3 60 P-Q4 P-K3 61 P-Q4 P-K3 62 P-Q4 P-K3 63 P-Q4 P-K3 64 P-Q4 P-K3 65 P-Q4 P-K3 66 P-Q4 P-K3 67 P-Q4 P-K3 68 P-Q4 P-K3 69 P-Q4 P-K3 70 P-Q4 P-K3 71 P-Q4 P-K3 72 P-Q4 P-K3 73 P-Q4 P-K3 74 P-Q4 P-K3 75 P-Q4 P-K3 76 P-Q4 P-K3 77 P-Q4 P-K3 78 P-Q4 P-K3 79 P-Q4 P-K3 80 P-Q4 P-K3 81 P-Q4 P-K3 82 P-Q4 P-K3 83 P-Q4 P-K3 84 P-Q4 P-K3 85 P-Q4 P-K3 86 P-Q4 P-K3 87 P-Q4 P-K3 88 P-Q4 P-K3 89 P-Q4 P-K3 90 P-Q4 P-K3 91 P-Q4 P-K3 92 P-Q4 P-K3 93 P-Q4 P-K3 94 P-Q4 P-K3 95 P-Q4 P-K3 96 P-Q4 P-K3 97 P-Q4 P-K3 98 P-Q4 P-K3 99 P-Q4 P-K3 100 P-Q4 P-K3 101 P-Q4 P-K3 102 P-Q4 P-K3 103 P-Q4 P-K3 104 P-Q4 P-K3 105 P-Q4 P-K3 106 P-Q4 P-K3 107 P-Q4 P-K3 108 P-Q4 P-K3 109 P-Q4 P-K3 110 P-Q4 P-K3 111 P-Q4 P-K3 112 P-Q4 P-K3 113 P-Q4 P-K3 114 P-Q4 P-K3 115 P-Q4 P-K3 116 P-Q4 P-K3 117 P-Q4 P-K3 118 P-Q4 P-K3 119 P-Q4 P-K3 120 P-Q4 P-K3 121 P-Q4 P-K3 122 P-Q4 P-K3 123 P-Q4 P-K3 124 P-Q4 P-K3 125 P-Q4 P-K3 126 P-Q4 P-K3 127 P-Q4 P-K3 128 P-Q4 P-K3 129 P-Q4 P-K3 130 P-Q4 P-K3 131 P-Q4 P-K3 132 P-Q4 P-K3 133 P-Q4 P-K3 134 P-Q4 P-K3 135 P-Q4 P-K3 136 P-Q4 P-K3 137 P-Q4 P-K3 138 P-Q4 P-K3 139 P-Q4 P-K3 140 P-Q4 P-K3 141 P-Q4 P-K3 142 P-Q4 P-K3 143 P-Q4 P-K3 144 P-Q4 P-K3 145 P-Q4 P-K3 146 P-Q4 P-K3 147 P-Q4 P-K3 148 P-Q4 P-K3 149 P-Q4 P-K3 150 P-Q4 P-K3 151 P-Q4 P-K3 152 P-Q4 P-K3 153 P-Q4 P-K3 154 P-Q4 P-K3 155 P-Q4 P-K3 156 P-Q4 P-K3 157 P-Q4 P-K3 158 P-Q4 P-K3 159 P-Q4 P-K3 160 P-Q4 P-K3 161 P-Q4 P-K3 162 P-Q4 P-K3 163 P-Q4 P-K3 164 P-Q4 P-K3 165 P-Q4 P-K3 166 P-Q4 P-K3 167 P-Q4 P-K3 168 P-Q4 P-K3 169 P-Q4 P-K3 170 P-Q4 P-K3 171 P-Q4 P-K3 172 P-Q4 P-K3 173 P-Q4 P-K3 174 P-Q4 P-K3 175 P-Q4 P-K3 176 P-Q4 P-K3 177 P-Q4 P-K3 178 P-Q4 P-K3 179 P-Q4 P-K3 180 P-Q4 P-K3 181 P-Q4 P-K3 182 P-Q4 P-K3 183 P-Q4 P-K3 184 P-Q4 P-K3 185 P-Q4 P-K3 186 P-Q4 P-K3 187 P-Q4 P-K3 188 P-Q4 P-K3 189 P-Q4 P-K3 190 P-Q4 P-K3 191 P-Q4 P-K3 192 P-Q4 P-K3 193 P-Q4 P-K3 194 P-Q4 P-K3 195 P-Q4 P-K3 196 P-Q4 P-K3 197 P-Q4 P-K3 198 P-Q4 P-K3 199 P-Q4 P-K3 200 P-Q4 P-K3 201 P-Q4 P-K3 202 P-Q4 P-K3 203 P-Q4 P-K3 204 P-Q4 P-K3 205 P-Q4 P-K3 206 P-Q4 P-K3 207 P-Q4 P-K3 208 P-Q4 P-K3 209 P-Q4 P-K3 210 P-Q4 P-K3 211 P-Q4 P-K3 212 P-Q4 P-K3 213 P-Q4 P-K3 214 P-Q4 P-K3 215 P-Q4 P-K3 216 P-Q4 P-K3 217 P-Q4 P-K3 218 P-Q4 P-K3 219 P-Q4 P-K3 220 P-Q4 P-K3 221 P-Q4 P-K3 222 P-Q4 P-K3 223 P-Q4 P-K3 224 P-Q4 P-K3 225 P-Q4 P-K3 226 P-Q4 P-K3 227 P-Q4 P-K3 228 P-Q4 P-K3 229 P-Q4 P-K3 230 P-Q4 P-K3 231 P-Q4 P-K3 232 P-Q4 P-K3 233 P-Q4 P-K3 234 P-Q4 P-K3 235 P-Q4 P-K3 236 P-Q4 P-K3 237 P-Q4 P-K3 238 P-Q4 P-K3 239 P-Q4 P-K3 240 P-Q4 P-K3 241 P-Q4 P-K3 242 P-Q4 P-K3 243 P-Q4 P-K3 244 P-Q4 P-K3 245 P-Q4 P-K3 246 P-Q4 P-K3 247 P-Q4 P-K3 248 P-Q4 P-K3 249 P-Q4 P-K3 250 P-Q4 P-K3 251 P-Q4 P-K3 252 P-Q4 P-K3 253 P-Q4 P-K3 254 P-Q4 P-K3 255 P-Q4 P-K3 256 P-Q4 P-K3 257 P-Q4 P-K3 258 P-Q4 P-K3 259 P-Q4 P-K3 260 P-Q4 P-K3 261 P-Q4 P-K3 262 P-Q4 P-K3 263 P-Q4 P-K3 264 P-Q4 P-K3 265 P-Q4 P-K3 266 P-Q4 P-K3 267 P-Q4 P-K3 268 P-Q4 P-K3 269 P-Q4 P-K3 270 P-Q4 P-K3 271 P-Q4 P-K3 272 P-Q4 P-K3 273 P-Q4 P-K3 274 P-Q4 P-K3 275 P-Q4 P-K3 276 P-Q4 P-K3 277 P-Q4 P-K3 278 P-Q4 P-K3 279 P-Q4 P-K3 280 P-Q4 P-K3 281 P-Q4 P-K3 282 P-Q4 P-K3 283 P-Q4 P-K3 284 P-Q4 P-K3 285 P-Q4 P-K3 286 P-Q4 P-K3 287 P-Q4 P-K3 288 P-Q4 P-K3 289 P-Q4 P-K3 290 P-Q4 P-K3 291 P-Q4 P-K3 292 P-Q4 P-K3 293 P-Q4 P-K3 294 P-Q4 P-K3 295 P-Q4 P-K3 296 P-Q4 P-K3 297 P-Q4 P-K3 298 P-Q4 P-K3 299 P-Q4 P-K3 300 P-Q4 P-K3 301 P-Q4 P-K3 302 P-Q4 P-K3 303 P-Q4 P-K3 304 P-Q4 P-K3 305 P-Q4 P-K3 306 P-Q4 P-K3 307 P-Q4 P-K3 308 P-Q4 P-K3 309 P-Q4 P-K3 310 P-Q4 P-K3 311 P-Q4 P-K3 312 P-Q4 P-K3 313 P-Q4 P-K3 314 P-Q4 P-K3 315 P-Q4 P-K3 316 P-Q4 P-K3 317 P-Q4 P-K3 318 P-Q4 P-K3 319 P-Q4 P-K3 320 P-Q4 P-K3 321 P-Q4 P-K3 322 P-Q4 P-K3 323 P-Q4 P-K3 324 P-Q4 P-K3 325 P-Q4 P-K3 326 P-Q4 P-K3 327 P-Q4 P-K3 328 P-Q4 P-K3 329 P-Q4 P-K3 330 P-Q4 P-K3 331 P-Q4 P-K3 332 P-Q4 P-K3 333 P-Q4 P-K3 334 P-Q4 P-K3 335 P-Q4 P-K3 336 P-Q4 P-K3 337 P-Q4 P-K3 338 P-Q4 P-K3 339 P-Q4 P-K3 340 P-Q4 P-K3 341 P-Q4 P-K3 342 P-Q4 P-K3 343 P-Q4 P-K3 344 P-Q4 P-K3 345 P-Q4 P-K3 346 P-Q4 P-K3 347 P-Q4 P-K3 348 P-Q4 P-K3 349 P-Q4 P-K3 350 P-Q4 P-K3 351 P-Q4 P-K3 352 P-Q4 P-K3 353 P-Q4 P-K3 354 P-Q4 P-K3 355 P-Q4 P-K3 356 P-Q4 P-K3 357 P-Q4 P-K3 358 P-Q4 P-K3 359 P-Q4 P-K3 360 P-Q4 P-K3 361 P-Q4 P-K3 362 P-Q4 P-K3 363 P-Q4 P-K3 364 P-Q4 P-K3 365 P-Q4 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P-Q4 P-K3 509 P-Q4 P-K3 510 P-Q4 P-K3 511 P-Q4 P-K3 512 P-Q4 P-K3 513 P-Q4 P-K3 514 P-Q4 P-K3 515 P-Q4 P-K3 516 P-Q4 P-K3 517 P-Q4 P-K3 518 P-Q4 P-K3 519 P-Q4 P-K3 520 P-Q4 P-K3 521 P-Q4 P-K3 522 P-Q4 P-K3 523 P-Q4 P-K3 524 P-Q4 P-K3 525 P-Q4 P-K3 526 P-Q4 P-K3 527 P-Q4 P-K3 528 P-Q4 P-K3 529 P-Q4 P-K3 530 P-Q4 P-K3 531 P-Q4 P-K3 532 P-Q4 P-K3 533 P-Q4 P-K3 534 P-Q4 P-K3 535 P-Q4 P-K3 536 P-Q4 P-K3 537 P-Q4 P-K3 538 P-Q4 P-K3 539 P-Q4 P-K3 540 P-Q4 P-K3 541 P-Q4 P-K3 542 P-Q4 P-K3 543 P-Q4 P-K3 544 P-Q4 P-K3 545 P-Q4 P-K3 546 P-Q4 P-K3 547 P-Q4 P-K3 548 P-Q4 P-K3 549 P-Q4 P-K3 550 P-Q4 P-K3 551 P-Q4 P-K3 552 P-Q4 P-K3 553 P-Q4 P-K3 554 P-Q4 P-K3 555 P-Q4 P-K3 556 P-Q4 P-K3 557 P-Q4 P-K3 558 P-Q4 P-K3 559 P-Q4 P-K3 560 P-Q4 P-K3 561 P-Q4 P-K3 562 P-Q4 P-K3 563 P-Q4 P-K3 564 P-Q4 P-K3 565 P-Q4 P-K3 566 P-Q4 P-K3 567 P-Q4 P-K3 568 P-Q4 P-K3 569 P-Q4 P-K3 570 P-Q4 P-K3 571 P-Q4 P-K3 572 P-Q4 P-K3 573 P-Q4 P-K3 574 P-Q4 P-K3 575 P-Q4 P-K3 576 P-Q4 P-K3 577 P-Q4 P-K3 578 P-Q4 P-K3 579 P-Q4 P-K3 580 P-Q4 P-K3 581 P-Q4 P-K3 582 P-Q4 P-K3 583 P-Q4 P-K3 584 P-Q4 P-K3 585 P-Q4 P-K3 586 P-Q4 P-K3 587 P-Q4 P-K3 588 P-Q4 P-K3 589 P-Q4 P-K3 590 P-Q4 P-K3 591 P-Q4 P-K3 592 P-Q4 P-K3 593 P-Q4 P-K3 594 P-Q4 P-K3 595 P-Q4 P-K3 596 P-Q4 P-K3 597 P-Q4 P-K3 598 P-Q4 P-K3 599 P-Q4 P-K3 600 P-Q4 P-K3 601 P-Q4 P-K3 602 P-Q4 P-K3 603 P-Q4 P-K3 604 P-Q4 P-K3 605 P-Q4 P-K3 606 P-Q4 P-K3 607 P-Q4 P-K3 608 P-Q4 P-K3 609 P-Q4 P-K3 610 P-Q4 P-K3 611 P-Q4 P-K3 612 P-Q4 P-K3 613 P-Q4 P-K3 614 P-Q4 P-K3 615 P-Q4 P-K3 616 P-Q4 P-K3 617 P-Q4 P-K3 618 P-Q4 P-K3 619 P-Q4 P-K3 620 P-Q4 P-K3 621 P-Q4 P-K3 622 P-Q4 P-K3 623 P-Q4 P-K3 624 P-Q4 P-K3 625 P-Q4 P-K3 626 P-Q4 P-K3 627 P-Q4 P-K3 628 P-Q4 P-K3 629 P-Q4 P-K3 630 P-Q4 P-K3 631 P-Q4 P-K3 632 P-Q4 P-K3 633 P-Q4 P-K3 634 P-Q4 P-K3 635 P-Q4 P-K3 636 P-Q4 P-K3 637 P-Q4 P-K3 638 P-Q4 P-K3 639 P-Q4 P-K3 640 P-Q4 P-K3 641 P-Q4 P-K3 642 P-Q4 P-K3 643 P-Q4 P-K3 644 P-Q4 P-K3 645 P-Q4 P-K3 646 P-Q4 P-K3 647 P-Q4 P-K3 648 P-Q4 P-K3 649 P-Q4 P-K3 650 P-Q4 P-K3 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What the auction room battle is all about

On top of all this, the auction rooms are suddenly asking them to pay buyers' premiums. Furthermore, they did not have

Sportsview

any government measure. This made them angry. Then there was the matter of presentation. Christie's and Sotheby's nipped the introduction of new premiums with three days' grace. The claims on the insurance arrived as the decision independently—causing some mischief. Christie's made the announcement in terms of a reduction in commission levels, while they were effectively raising their slice of the proceeds at an average of 100 to 150 per cent. The auctioneers argue that it is easier to do business when offering buyers a commission rate of 10 to 15 per cent and taking 10 per cent from the buyer than it is to charge the vendor 15

...income. It is highly
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art, jewelry, master
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cent for this service? Or
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take from buyers and
vendors, alone?

Geraldine Norman
Salt Room Correspondent

happy

elves, protect the public
interest.

The City as exemplified by

To my mind Slater, Walker is not lacking in financial acumen, and so much so that it is quite possible for him to be a success in the sense which is socially acceptable or desirable in a given period and climate of opinion. The established City dynasties, like the political families, are the ones who are successful and survive in the long run. The new generation after generation after genera-

George Hutchinson

The City, as exemplified by the two big old family banks, is much to be proud of and not just come unnerved by passing misfortunes, still less its political detractors. Nor must the Tories. We may be sure that Mrs Thatcher was quick to recognize the political implications of the Slater, a talker sensation: but she is strong a snail to be daunted by it.

To my mind Slater, Walker is not lacking a financial apt-

de so much as political judgment, by which means a sense of what is socially acceptable or desirable in a given period and climate of opinion. The established City dynasties, like the old political families, tend to possess and cultivate this invaluable quality. Hence (in fact) their survival and success, generation after generation.

Times Newspapers Ltd, 1953

Liberal concession should enable William Pitt to increase gains

Hardier won a native race Morant. The credit for his brilliant way that Hardier's fences must go through Thomson Jones's stable is Ian Watkinson, who has him so well on the school ground on the links at marker. Watkinson was rewarded with the ride on Hardier's day and they were an excellent partnership.

Grand Canyon, a horse bred in New Zealand, and brought here from the land of his birth by Pat Samuel of Captain's

time, made a satisfactory
his career here by winning
first division of the
Novice Stakes. Grand Ca-
sion Oakville, was exported
New Zealand from this area
where he won the Dee Stakes
Bill Elsey in 1961, the year
Elsey took command at
field in Malton after spending
previous nine years assisting
father, that much re-
character, Captain Charles
Grand Canyon is trained
by Derek Kent, whose horse
landing a double with a
New Zealand-bred horse,
Boy, in the Fibright Ha-
Steeplechase, was reported
Tialon, a very mild-gaited
in the back straight so bad
he had no earthly hope of

back into the hunt thereal

left) upsides with Gunner
right before going on to win
programme

PROGRAMME
[and 2.45 races]

PLECHASE (Handicap : £89)
Goldenlith, Thomson Jones, 11-1
G. F. Winter, 8-10-12 Mr N. H.
Harvey, D. Nicholson, 6-10-0
1. Garathee.

EEPLECHASE (Handicap :
Mecaulay, F. Winter, 9-12-3
S. Lamberton, R. Russell, 10-1

[illegible]

HASE (Handicap: £2,157: 2m)
 Mrs W. Whittaker, Thomson Jones
 9-11-11
 Mrs B. Meahan, R. Turrell, 8-10-11
 (other), R. Turrell, 8-10-7 .. S.
 1-1 Golden Sol.
Handicap: £1,152: 2m)
 Mr J. Cannon, S. Ingham, 8-12-11
 E. Phillips, M. Tate, 8-11-11
 Pilkington, F. Wally, 8-11-11
 C. Gavenor, R. Smyth, 6-10-11
 D. Atkinson, W. Marshall, 4-11-11
 S. Dunning, M. Goswell, 3-10-11

4-3 Ramnuzrah Box, u-1 Grando
(3-y-o : £680 : 2m)
18. Retter, L. Komard, 11-5
P. Cane, C. Dinnall, 11-2 D.
19. Martin, F. Halsey, 11-0
Ramnuzrah, R. Smith, 11-0
20. Martin, A. Davidson, 10-10
21. Davis, R. Smith, 10-5
22. Dinnall, J. Waples, 10-5
23. Retter, F. Cane, 10-5
24. Retter, R. Smith, 10-5 D.
25. A Dream, 9-2 Sarpen, 6-1
26. 12-1 Exmer Riding, 11-1 Sir 1

re programme

LE (Handicap: £340: 2m)

Whitehead, 7-10-1 R
D. Chantrel, 6-11-5
D. J. Morris, 6-11-4
D.
Darman, 6-11-3
T. 7-10-3 Mr E
Bradman, 6-10-10
Arnold, 6-10-9
Firmood, 6-10-8 R
D.
Charnan, 4-10-8
Williams, 4-10-4
Smith, 4-10-4
Whiston, 4-10-3

Athlete's Name: **CHRISTIE STEEPLECHASE**
 Date: **11/11/2011**
 Location: **WILSON**
 Event: **100-150-200-300-400-500-600-800-1000-1200-1600-2000-3200-4000-5000-8000-12000-16000-20000-32000-40000-50000-60000-80000-100000-120000-160000-200000-320000-400000-500000-600000-800000-1000000-1200000-1600000-2000000-3200000-4000000-5000000-6000000-8000000-10000000-12000000-16000000-20000000-32000000-40000000-50000000-60000000-80000000-100000000-120000000-160000000-200000000-320000000-400000000-500000000-600000000-800000000-1000000000-1200000000-1600000000-2000000000-3200000000-4000000000-5000000000-6000000000-8000000000-10000000000-12000000000-16000000000-20000000000-32000000000-40000000000-50000000000-60000000000-80000000000-100000000000-120000000000-160000000000-200000000000-320000000000-400000000000-500000000000-600000000000-800000000000-1000000000000-1200000000000-1600000000000-2000000000000-3200000000000-4000000000000-5000000000000-6000000000000-8000000000000-10000000000000-12000000000000-16000000000000-20000000000000-32000000000000-40000000000000-50000000000000-60000000000000-80000000000000-100000000000000-120000000000000-160000000000000-200000000000000-320000000000000-400000000000000-500000000000000-600000000000000-800000000000000-1000000000000000-1200000000000000-1600000000000000-2000000000000000-3200000000000000-4000000000000000-5000000000000000-6000000000000000-8000000000000000-10000000000000000-12000000000000000-16000000000000000-20000000000000000-32000000000000000-40000000000000000-50000000000000000-60000000000000000-80000000000000000-100000000000000000-120000000000000000-160000000000000000-200000000000000000-320000000000000000-400000000000000000-500000000000000000-600000000000000000-800000000000000000-1000000000000000000-1200000000000000000-1600000000000000000-2000000000000000000-3200000000000000000-4000000000000000000-5000000000000000000-6000000000000000000-8000000000000000000-10000000000000000000-12000000000000000000-16000000000000000000-20000000000000000000-32000000000000000000-40000000000000000000-50000000000000000000-60000000000000000000-80000000000000000000-100000000000000000000-120000000000000000000-160000000000000000000-200000000000000000000-320000000000000000000-400000000000000000000-500000000000000000000-600000000000000000000-800000000000000000000-1000000000000000000000-1200000000000000000000-1600000000000000000000-2000000000000000000000-3200000000000000000000-4000000000000000000000-5000000000000000000000-6000000000000000000000-8000000000000000000000-10000000000000000000000-12000000000000000000000-16000000000000000000000-20000000000000000000000-32000000000000000000000-40000000000000000000000-50000000000000000000000-60000000000000000000000-80000000000000000000000-100000000000000000000000-120000000000000000000000-160000000000000000000000-200000000000000000000000-320000000000000000000000-400000000000000000000000-500000000000000000000000-600000000000000000000000-800000000000000000000000-1000000000000000000000000-1200000000000000000000000-1600000000000000000000000-2000000000000000000000000-3200000000000000000000000-4000000000000000000000000-5000000000000000000000000-6000000000000000000000000-8000000000000000000000000-10000000000000000000000000-12000000000000000000000000-16000000000000000000000000-20000000000000000000000000-32000000000000000000000000-40000000000000000000000000-50000000000000000000000000-60000000000000000000000000-80000000000000000000000000-100000000000000000000000000-120000000000000000000000000-160000000000000000000000000-200000000000000000000000000-320000000000000000000000000-400000000000000000000000000-500000000000000000000000000-600000000000000000000000000-800000000000000000000000000-1000000000000000000000000000-1200000000000000000000000000-1600000000000000000000000000-2000000000000000000000000000-3200000000000000000000000000-4000000000000000000000000000-5000000000000000000000000000-6000000000000000000000000000-8000000000000000000000000000-10000000000000000000000000000-12000000000000000000000000000-16000000000000000000000000000-20000000000000000000000000000-32000000000000000000000000000-40000000000000000000000000000-50**

[illegible]

Novices: 4-y-o; \$340; 2m)

B. Richmond, 11-12
C. Richards, 11-12
D. D. D. D. D.
E. E. E. E. E.
F. F. F. F. F.
G. G. G. G. G.
H. H. H. H. H.

[illegible]

(continued)

THE TIMES

BUSINESS NEWS

Personal
investment
and finance,
pages 16 and 17

New Haw Par board will seek reduction of £14m from Slater, Walker

Singapore government-appointed directors of Haw Par, who took over the group's management last week, are seeking to reduce the £14m loss from Slater, Walker, a group of United States (US) companies, to £1m. The group's management last week, are seeking to reduce the £14m loss from Slater, Walker, a group of United States (US) companies, to £1m. The group's management last week, are seeking to reduce the £14m loss from Slater, Walker, a group of United States (US) companies, to £1m.

Mr. Slater, who was chairman of the group, has been replaced by Mr. Michael Poon, director of Hume Industries (UK) Ltd, who takes over as chairman from the temporarily appointed Mr. Robert Booker. Mr. Gordon James, Singapore general manager of the Chartered Bank, Mr. Lee Hee Sang, director of Overseas Union Bank, Mr. Angus Petrie, Singapore general manager of the Hong Kong and Shanghai Banking Corporation, and Mr. Wee Chee Yaw, chairman and managing director of United Overseas Bank.

A company statement said: "These appointments have been made on the initiative of the monetary authority of Singapore (the central bank)." The statement added the board's aims were to ensure the continuation of the company as an ongoing concern and the minimisation of the assets and liabilities of Haw Par shareholders, 70 per cent of whom are local investors.

The appointment of the new directors is remarkable in several respects. They all possess proven management and banking experience. The Singaporean, among them, are very close to the government. They sit on several statutory bodies.

Mr. Poon, who recently became the Singaporean director of Hume's parent company in Australia, is a member of the Housing and Development Board and a director of the Straits Times Press, the English language newspaper monopoly.

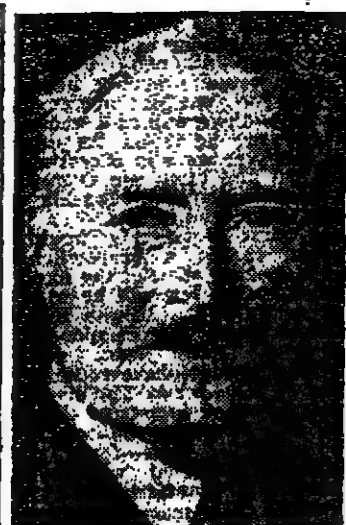
Mr. Wee is the most influential of the new directors. A former president of the Singapore Chinese Chamber of Commerce, he heads Singapore's second largest banking group. He is also a director of the quasi-government Development Bank of Singapore.

Mr. Slater has been known to Slater, Walker group for some years. When Slater, Walker took over Haw Par in 1971, Haw Par had control of Chung Kiang Bank, Slater, Walker quickly sold this interest to Mr. Wee's United Overseas Bank.

Mr. Slater has been linked about as the most likely "rescuer" of Haw Par ever since Mr. Jimmy Gammell, Mr. Donald Ogilvy-Watson and Mr. Ian Tamblin left Slater, Walker and resigned from Haw Par's board. Mr. Slater and Mr. Slater enjoy considerable reputations as managers of the oldest British banks on the island.

Their appointment to the board should go a long way to reestablish the confidence of Haw Par creditors and shareholders. Hong Kong Bank and UOB are the main banks to the group.

These appointments confirm that the banks are willing to continue their back-up for the group, which is highly geared. (The last accounts showed that Slater, Walker's share of shareholders' funds was about 80 per cent.) This is crucial for the company to survive the contraction that must now take place.



Sir Brian Morton: too early to forecast yard's fortunes.

Property man is head of Harland

Sir Brian Morton, 63-year-old retired Belfast estate agent and property developer, was appointed by the Government yesterday to be chairman of the ailing Belfast shipbuilders, Harland and Wolff, in succession to Viscount Rochdale, who retired yesterday.

His appointment caused some surprise because he had no industrial experience. It was widely expected, however, that an Ulsterman would be named.

Harland and Wolff has been told that unless productivity increases substantially by Christmas, it will face closure next year. The appointment of Sir Brian, who takes over on Monday, is open-ended. "It will probably be a full-time job—I am certainly prepared to devote all my time to it," Sir Brian said from his home on an island in Strangford Lough, Co. Down, yesterday.

The shipyard, which employs over 10,000 people, was recently taken into full public ownership after having received more than £70m in state aid since 1966. Further huge losses are forecast during the completion of its present 13-vessel order book.

"It is too early for me to say whether the yard's fortunes can be turned round," Sir Brian said. "But it has a worldwide reputation for quality ships, a highly skilled workforce and, in equipment, everything that modern technology can do for it."

He got to work in his hand and although there is a world recession, recessions don't last for ever. If we can start getting profitable work while we are working through the present lot I'm hopeful it will prosper in the future."

In 1936 Sir Brian founded what is now one of Ireland's biggest estate agents, and he retired in 1963. He established his reputation with government during the four years 1969-73 when chairman of the Londonderry Development Commission during its entire life.

Chrysler's chiefs in US discuss request by British Government

Senior executives of the Chrysler Corporation of America met yesterday to consider their response to the British Government's request for full support of the situation of Chrysler UK.

They were deciding whether their chairman, Mr. John Riccardo, would personally deliver the answer, and when a spokesman said: "I expect Mr. Riccardo to go there and he could go as soon as next week."

In Britain, the management of the threatened United Kingdom subsidiary is expected to meet trade union representatives next week to discuss statements made by Mr. Riccardo about the British operations and the future. The situation will be discussed by shop stewards at two plants in Coventry on Monday.

One steward, Mr. Liam Byrne, of the Transport and General Workers' Union, commented yesterday: "I don't think Chrysler will pull out of this country, but it is likely that they will cut back and streamline their operation."

Chrysler UK has main assembly plants at Ryton, Renfrewshire, and employs 26,500 people. Thousands more in other companies make components for Chrysler.

The Prime Minister has told the Commons that he and Mr. Eric Varley, Secretary of State for Industry, would expect to see Chrysler Corporation chiefs before any decision affecting the United Kingdom subsidiary was taken. He had received an assurance that no irreversible decision would be taken before discussions on the situation.

Yesterday, Chrysler UK reacted sharply to the report in *The Times* that secret conditions had been attached to the parent corporation's financial support for its British subsidiary.

It had been incorrectly stated in earlier editions that the Bank of England had injected £11m earlier this year. As stated in later editions, the funds were supplied by the parent Chrysler Corporation with the Bank's consent.

In a statement, Chrysler UK said it had received £11m since December 1974, of which £5.5m was to be repaid on demand and £5.5m repayable on January 6, 1977.

Provision of the money was subject to exchange control regulations, but no additional conditions were sought from or given by Chrysler. It added that the arrangements did not involve any deal with the Bank, or any other bank, to finance shipments of the new Chrysler car due to be supplied from its French associate later this year.

The company also said that there had been no board meeting on Thursday.

On the question of export finance, past and recent dealings with the Export Credits Guarantee Department had been on an entirely constructive basis.

In answer to a question on the terms of the Bank of England's approval for the corporation's injection of £11m, a company spokesman agreed that special conditions had been attached to the funds could be made available on a "demand basis."

The normal sum of a sum of this size for the money to be held in Britain for at least two years. However, it had been arranged that half the money would be on call and the conditions attached were of a financial character.

Yesterday, Chrysler UK

£9m earned by treating foreign atom waste

Britain has earned £9m in foreign exchange earnings over the past four years by reprocessing spent but still radioactive fuel from overseas nuclear power stations. Existing contracts could bring in another £34m before the end of the decade.

The size of Britain's earnings in the nuclear fuel reprocessing business came in a written parliamentary answer yesterday from Mr. Wedgwood Benn, Secretary of State for Energy who faced a barrage of questions on this sensitive subject.

Spent nuclear fuel from Canada, West Germany, Italy, Japan, Holland, Spain, Sweden, and Switzerland is reprocessed at the British Nuclear Fuels Windscale plant.

He said the contracts provided for radioactive waste to be retained in Britain and up to 1990 this would add about 10 per cent to the quantity of waste arising from British domestic nuclear programmes.

Government aims at planning framework

Creation of planning framework which could help industry to anticipate and react to changes in the pattern of world trade will be among the objectives of the Government's industrial policy.

This was made clear last night by Mr. Gregor MacKenzie, Minister of State for Industry, when talking up plans for earlier this week by Mr. Eric Varley, the Industry Secretary, to a meeting in Newcastle upon Tyne that it was urgent that agreement was reached on national priorities for investment and industrial growth.

Japan deficit declines

Japan's basic balance of payments deficit increased to \$316m from \$4m in August, the finance ministry said. But the deterioration was more than offset by improvements in short-term capital balance and errors and omissions, so that the overall balance deficit declined to \$104m from \$268m in August.

FHA base rate up

From today, the Finance Houses Association's base rate rises from 11 to 11½ per cent. The FHA's base rate moves according to a fixed formula related to the bank's base rate over the past eight weeks. It contains no discretionary element.

Amoco sale to Elf

Amoco is selling nearly 400 petrol filling stations in Germany to the French oil company, Elf, at an undisclosed price. The deal, which takes effect from January 1, will give Elf 700 retail outlets in Germany and 12,000 in France, controlled by the Federal Office in Berlin.

Summit preparation

A second preparatory meeting for next month's six-nation Economic Summit in France will be held in London on November 12, according to an informal source. It is likely to be concerned with procedural problems.

BP shares pressure

Burmah Shareholders' Action Group, which is trying to get the Board of Directors to sell BP shares from the company, has decided to press the Stock Exchange to insist on disclosure of the facts relating to the sale.

Anti-trust inquiry

Brazil's Anti-Trust Office is to investigate the activities of 11 electrical companies. The inquiry will include the Brazilian subsidiaries of AEG, Telefunken, Philips, RCA, General Electric and Westinghouse.

Pay offer rejected

An offer of a 5 per cent pay rise to about 200,000 iron and steel workers has been rejected by the Iron and Steelworkers' Union. The union is demanding 8 per cent.

Norway shipping aid

Norway is to earmark up to 2,000m kroner (about £176m) in long-term loan guarantees to Norwegian shipowners.

Directors may go Kuwaitis

Financial Staff Institute of Directors is looking to negotiate a deal for the sale of its elegant Belgrave Square for a sum in the £12m.

Mr. Eldred, the newly appointed director general of the institute, confirmed yesterday that there were several interested parties. Kuwaitis, he said, were negotiating for use of the institute's four in Belgrave Square.

Two weeks ago it was said that the institute was to move to new, and economical premises. Its 15,000 members, comprising 50,000 square offices, restaurant and club facilities, institute, which lost last year and expects a deficit this year, is up to improve its financial position. The institute's 1974-75 income of £43,000 members raised from £8 to £30 at end of last year.

Mr. Eldred made it clear, however, that there was no firm decision on until the institute had suitable new headquarters.

It is not clear whether their interests represent the public or private interest of the houses, each valued at £100,000, are part of the estate and the leases will well over 50 years.

Folly to abolish price control, minister says

By David Young
Mr. Alan Williams, Minister of State for Prices and Consumer Protection, yesterday said that the abolition of price control before the expiry of the present anti-inflation package at the end of July.

Mr. Williams said that it would be folly for him to speculate on what type of price controls would be in operation from now.

Speaking at a conference of industrialists in London he said: "As we come up to the 10th day of the new attack on inflation, we must remember that inflation is a real enemy. For the first time in a year, our rate of inflation has dropped."

"Our Price Commission, which speaks for itself and not for the Government and which knows more about prices and inflation than anyone else, showed last week that there were clear signs of a turning point in the battle against inflation."

The most encouraging feature of the new strategy, Mr. Williams said, is that it is supported by the British people. To abandon price controls now would be an incredible folly which would, overnight, disillusion the public and destroy their support for the strategy.

"In the next few months the people of Britain have to be convinced of the Government's overriding determination that this time inflation can be beaten."

For this reason, Mr. Williams said, the Government is now working on the preparation of a package of controlled prices which will be introduced in the spring.

Dearer ore hits Japan's steelmakers

By Peter Hill
Industrial Correspondent

Japan's steelmakers, faced with growing losses and pressure to reduce their exports to Europe, learned yesterday that Australian iron ore producers were seeking price increases of up to 80 per cent for deliveries next year.

The recession is biting hard into the Japanese industry, and yesterday the world's largest steelmaker, Nippon Steel, announced that it was shutting down two more blast-furnaces as well as the three already out of operation because of lack of demand.

Industry sources report that Japanese steel companies are in deep financial trouble. Six of the main producers recorded a combined loss of about £300m in the first half of the present fiscal year.

Michael Horneby writes from Brussels: Despite the recession, production of crude steel in the EEC should rise from 179 million tonnes in 1974 to 213 million tonnes in 1978, growing at an average annual rate of 4.4 per cent, the European Commission predicted here yesterday.

£10m for energy research

By Roger Vialovoy
Energy Correspondent

More than £10m is to be made available by the European Economic Commission for research and development work into energy conservation and the production and use of hydrogen.

British companies, universities, government research establishments and even individuals can apply for a share of the funds in competition with similar bodies from other countries in the Community.

It is the first time that contracts have been offered under the Community's new energy research and development programme which is in two stages and has a total budget of £24.5m spread over four years.

Areas that will qualify for work under the conservation budget are: improvement of insulation in buildings, pumps, urban transport, recovery of residual heat, recycling of materials, production of energy from waste, assessment of specific energy consumption in various equipment, and development of methods of accumulating secondary energy.

Receiver called in at Court Hotels group

By Our Financial Staff

Court Hotels (London), the hotels and travel group which ran into trouble with its property investments, has had its share of assets suspended since May, is going into receivership.

At the group's adjourned annual meeting yesterday it was announced that Court Hotels had asked National Westminster Bank, its principal bank, to appoint a receiver. A spokesman said that while the hotel and travel side was trading well, property problems remained and the company's bankers had declined to extend the overdraft.

Receivership for Court was recommended recently by National Westminster and to Keyser Ullmann, another of Court's bankers, by the Charterhouse banking group, which has been the majority shareholder in Court since October 1.

Charterhouse's 53 per cent stake was originally owned by the South African group, Tollman Holdings, which in June agreed to place the holding in a £1.3m bid for Court by BSQ Securities, a London quoted holding company. Dealings in Court shares were suspended around this time. BSQ subsequently withdrew its bid and was censured by the City Takeover Panel.

When Tollman later went into liquidation, another South African group, the Sun, in which Charterhouse has an equity interest, acquired the 53 per cent Court stake and passed it on to Charterhouse. The London accepting house had hoped to appoint directors to Court and improve its performance, but after closer examination recommended receivership instead.

Court Hotels, which has a profitable travel business, has been trying to disengage itself from property investments for some time. The group owns various medium-sized London hotels, including the Regency in Kensington.

Citibank cut heralds still lower interest rates

From Frank Vogel
Washington, Oct. 31

First National City Bank of New York today cut its prime lending rate to 7½ per cent from 7¾ per cent.

The reduction, which followed a move by the bank from a prime rate level of 8 per cent last Friday, was widely expected, and money market developments indicate that Citibank may well move still lower to 7¼ per cent next Friday.

The easing in United States interest rates in the past few weeks, is widely expected to continue.

At this juncture there are a host of reasons why the Federal Reserve system should encourage a further decline in rate levels and no reason for it to return to the tighter monetary policy maintained in June, July and August.

On a technical basis the rate of growth of the money supply has been either below the target levels publicly announced by the Fed or at the lower end of the target range. Thus it is considered that the Fed could boost the money supply by more than \$2,000m (about £965m) in the next two months and still remain within its declared targets.

The Fed's tightening earlier this year was a direct response to the accelerating trend of inflation, but in the past two months the upward pace of consumer prices has slowed considerably and this may have encouraged the Fed to take a somewhat easier stance.

Forecasts for inflation next year vary greatly, but the Administration now expects an annual rate of no more than 7 per cent.

A new economic report by Goldman Sachs, the investment bank, forecasts the consumer price index rising in the year to the end of 1976 by just 5 per cent.

Conservative and bankers believe that the Fed is deeply concerned at the destabilizing impact on financial markets produced by the bankruptcy of W. T. Grant, a huge Los Angeles department store chain, and of commercial banks and, in particular, the spectre of a New York City default.

To offset this the experts believe the Fed has cut, and will continue to reduce, its Federal funds target level.

The rate for federal funds has fallen by almost 1 per cent since the beginning of the week to 5½ per cent and may go down in the 5 to 4½ per cent range in the coming week, according to analysts.

Such a decline would push Treasury bill and other money market rates lower and pave the way for still further prime rate cuts.

In addition to these factors, some analysts suggest that easier money policies are now vital to sustain the general economic recovery.

There is evidence to suggest that the Fed shares this opinion in view of the uncertain outcome of the battle between the Congress and the Administration over 1976 tax cuts.

It is thought, the Fed would like to stimulate private sector borrowing, especially since loan demand continues extremely sluggish.

New York Fed figures show that loan demand at major banks fell a further \$12m in the week ending on Wednesday. With commercial paper down by \$130m, the total credit contraction was \$247m—its lowest level in 13 months.

The latest economic report by the Bankers Trust, which says that while the big stock liquidation by business now appears to be over, "given the uncertain economic outlook, it seems reasonable to expect that business managements will be inclined towards keeping inventories low rather than risk overbuilding them."

Furthermore, pressures on the Fed to ease money supply are mounting, as Treasury borrowing in the next couple of months will be heavy. So, given the uncertainties of the markets, the Fed's efforts could play a major role in reducing Treasury costs.

Seeks a link-up with to thwart takeover

Financial Staff

Overseas battle for Ois, the \$320m (about £120m) Jersey list manufacturing company, appeared in prospect when Ois announced it was looking for a merger with a Corporation as an alternative to a takeover by an American group, United Industries.

Technologies (formerly Aircraft and the American maker of airlines) also said yesterday that it was revising its bid for Ois. An international group of investors are listed on the stock exchange.

Previously announced offer of \$42 million for 4.5 million shares of Ois was rejected by the Ois then sought and

Court decides judge erred in IBM ruling

New York, Oct. 31—The Federal Court of Appeals in Manhattan yesterday said that the judge in anti-trust suits concerning the International Business Machines Corporation made mistakes in his handling of the case.

The court agreed with IBM when it ordered Judge David N. Edelstein to reverse his ruling on three matters which IBM had opposed.

The effect of the ruling was to allow IBM lawyers to interview government witnesses unless a Justice Department lawyer is present.

It set aside a court order on September 23 which directed IBM to file all its papers with the court, rather than allow the documents to be lodged with the clerk of the court.

Also the court barred Judge Edelstein from refusing to hear all motions during the trial.

Honeywell merger 'delay' over CII assets problem

Paris, Oct. 31.—Industry sources said the merger of CIE Internationale and Honeywell-Bull is being delayed by problems of evaluating the existing CII assets.

They said the French Ministry of Finance, which is in charge of the merger, is likely to be put back at least until mid-November.

Since the French Government announced the decision to merge the two firms in May, the value of CII's assets has altered considerably, some losing and others possibly gaining in commercial interest.

Depending on how accounts are drawn up, CII is expected to make heavy financial losses, possibly as high as 600m francs (about £66m). Losses in 1974 were 50m francs.

Under the government-approved merger plan, CIE Generale de l'Electricite SA

How the markets moved

Rises		Falls	
Burmah Oil	2p to 33p	Chatter Com	12p to 15p
Bank of America	32p to 33p	Coca Cola & Ltd	10p to 35p
Bank of India	32p to 33p	Decca	10p to 12p
Bank of China	32p to 33p	Decca	10p to 12p
Bank of Japan	32p to 33p	Decca	10p to 12p
Bank of Korea	32p to 33p	Decca	10p to 12p
Bank of Siam	32p to 33p	Decca	10p to 12p
Bank of Thailand	32p to 33p	Decca	10p to 12p
Bank of Vietnam	32p to 33p	Decca	10p to 12p
Bank of Laos	32p to 33p	Decca	10p to 12p
Bank of Cambodia	32p to 33p	Decca	10p to 12p
Bank of Ceylon	32p to 33p	Decca	10p to 12p
Bank of Malaya	32p to 33p	Decca	10p to 12p
Bank of Singapore	32p to 33p	Decca	10p to 12p
Bank of Brunei	32p to 33p	Decca	10p to 12p
Bank of Sarawak	32p to 33p	Decca	10p to 12p
Bank of Sabah	32p to 33p	Decca	10p to 12p
Bank of Borneo	32p to 33p	Decca	10p to 12p
Bank of Sumatra	32p to 33p	Decca	10p to 12p
Bank of Java	32p to 33p	Decca	10p to 12p
Bank of Bali	32p to 33p	Decca	10p to 12p
Bank of Kalimantan	32p to 33p	Decca	10p to 12p
Bank of Sulawesi	32p to 33p	Decca	10p to 12p
Bank of Maluku	32p to 33p	Decca	10p to 12p
Bank of Irian	32p to 33p	Decca	10p to 12p
Bank of Papua	32p to 33p	Decca	10p to 12p
Bank of New Guinea	32p to 33p	Decca	10p to 12p
Bank of East Timor	32p to 33p	Decca	10p to 12p
Bank of West Timor	32p to 33p	Decca	10p to 12p
Bank of Timor-Leste	32p to 33p	Decca	10p to 12p
Bank of East Timor	32p to 33p	Decca	10p to 12p
Bank of West Timor	32p to 33p	Decca	10p to 12p
Bank of Timor-Leste	32p to 33p	Decca	10p to 12p

THE POUND

Bank	Buy	Sell
Australia	1.68	1.62
Austria	34.50	36.50
Belgium	44.80	46.80
Canada	2.16	2.11
Denmark	12.70	12.30
Finland	11.50	11.25
France	9.25	8.95
Germany	5.45	5.25
Greece	75.00	71.00
Hong Kong	10.55	10.35
Italy	1555.00	1560.00
Japan	650.00	635.00
Netherlands	44.80	46.80
Norway	11.50	11.25
Portugal	85.00	79.00
S. Africa	1.52	1.47
Spain	127.50	125.50
Sweden	9.25	8.95
Switzerland	5.60	5.40
US	2.12	2.07
Yugoslavia	43.00	41.00

The Times index: 147.19 - 0.12
The FT index: 351.2 - 0.8

Unit Trust: Arbuthnot Securities 17

PERSONAL INVESTMENT AND FINANCE

Pensions

Filling in gaps to aid the long term sick

Apart from the lack of provision for lump sums on retirement, and the inadequacy of benefits on death, the most important shortcomings of Barbara Castle's new state pension scheme, starting in 1978, relate to people who become incapacitated.

Do not misunderstand this comment: Mrs Castle has shown concern for this problem, and has obviously tried hard to do something about it. A problem as complex as this cannot be solved at the first attempt.

The protection built into the new scheme will mean that the full rate of pension will be payable to anyone who has worked for at least 20 years. One of the features of the scheme is the calculation of the rate of pension from the earnings of the 20 best years out of the working lifetime of the pensioner.

In order for the pensioner to qualify for this pension, contributions must have been paid, in the normal way, during most of the pensioner's working lifetime after 1978, but the contributions paid and earnings received in any years outside the best 20 will be ignored for purposes of calculating the rate of pension.

The new scheme will allow contributions to be waived in certain circumstances—that is to say, for purposes of assessing entitlement to full pension, a contributor who has missed paying will be treated as though he had in fact paid.

One such circumstance will be where the contributor is incapacitated. Provided, therefore, that he has 20 years' earnings from which to calculate the rate of his pension, his entitlement to work will not be affected by his incapacity.

It is important to realize what this does not do, as well as what it achieves: it does not deal with the problems posed by people who become incapacitated before they have worked for 20 years—some of them perhaps unable to work at all. It is difficult indeed to see how an earnings-related scheme can do anything for such people.

For employees, the gap in the present scheme is filled by the absence of any provision for pensions to start before pensionable age (65 for men, 60 for women). The protection I have described above, covers only the position after the pensioner starts to draw his pension after attaining pensionable age. (The state sickpay scheme, which provides earnings-related benefits, is only intended to cover a very temporary incapacity, and there is a limit on the length of time for which benefits may be paid.)

In a normal occupational scheme, a member whose health deteriorates progressively before he reaches retirement age is normally allowed to go on retirement at an earlier age, and start drawing his pension straight away. The amount of pension he will get will depend on the rules of the scheme, and the generosity of treatment of such cases varies enormously.

The Inland Revenue allow a scheme, in such circumstances, to pay the amount of pension which the member would have received had he gone on working until his normal retirement date at the rate of pay he was receiving before he became retired.

Some schemes allow benefits on this basis, but the majority scale the pension down in proportion to the actual length of service compared with the full further because it is being paid earlier. The resultant pension may be very small indeed.

So it is not only the state scheme which has a gap in provision in this respect. In fact, however, this problem may receive more attention from employers in future, and that more generous treatment may become the normal practice.

The employer who envisages contracting in and running a scheme on top—either to give cash benefits or death benefits, or on an integrated basis to top up the pension—may very well include a temporary supplementary pension benefit up to the state pensionable age for anyone forced to retire prematurely.

The cost would not be anything like as heavy as the provision of a full pension for employees retiring early under the present structure, because the extra pension would stop when the state pension became payable; the protection built into the state scheme would then become effective and the state would take over the full liability which would have built up if the member had been able to go on working.

This would cover the general run of cases of people retiring prematurely. In normal circumstances it is people getting somewhere near retirement age, who retire on health grounds, their state of health gradually deteriorating with advancing years, or as they become more susceptible to serious long term illnesses.

The younger man who contracts an incapacitating illness and can no longer work presents a somewhat different problem, although an equally serious one. In this case it is more appropriate to look upon his benefit as a continuation of pay—or sick pay. The dividing line between sick pay and early retirement pension is a narrow one in concept, although the distinction is clear in practice because of the constraints imposed by the taxation position.

Eric Brunet

Unit trusts

Will the Slater funds emerge intact after the storm?

The reverberations following Mr Jim Slater's sudden departure from Slater, Walker Securities last week, continue. Not least among those who are worried about the future of the group are the 300,000 plus unit-holders who are invested in Slater funds.

It should, of course, be some consolation to know that unit-holders do enjoy considerable protection. The assets of all authorized unit trusts are secure—the performance of the stock market apart—because, by law, they have to be held in the custody of the funds' trustees, the National Westminster Bank in the case of Slater funds.

Although there are unit-holders who do seem to be unaware of this important fact, it doesn't appear to be the case particularly with Slater, Walker unit-holders. The group does not appear to have been plagued by redemptions. Before the shutters came down on the press halfway through the week, a figure of £250,000-£300,000's worth of redemptions was given for Monday.

Since then, no hard facts have emerged from the group apart

from the continued reiteration that redemptions are still "very low". (In which case incidentally, it would serve Slater, Walker's interests better if it were not so coy about revealing accurate figures.)

It is difficult to tell if this trend will accelerate or not. It should not. Past evidence from other unit trust groups suggests that any selling there is after bad news, tends to follow immediately; the longer action is delayed, the less likely are unit-holders to vote with their feet. Secondly, taking a practical point of view, there is no reason why Slater unit-holders should be rushing out.

But all this said, there is no doubt that there remain very real grounds for worry of a different nature. And this is a worry shared by the rest of the unit trust industry too. The key question is: will the Slater, Walker unit trusts be allowed to continue as a separate entity? There is no doubt about their soundness, but plenty of fears that the group will shortly appear in the market place with a "For Sale" notice round its neck.

If dismemberment of the Slater group is to be the order of the day—and City opinion is hardening in favour of this view—then the unit trust industry will be faced with a most intractable problem, and one which



Brian Banks: managing director Slater, Walker Investments and director of Slater, Walker Securities.

is unlikely to improve the public's confidence in the unit trust movement.

Following its acquisitions of the Jessel and National groups of unit trusts in November 1974, and January respectively, Slater, Walker is now the third largest unit trust group in the industry with 44 funds worth around £180m.

Taking 2 per cent of funds under management as the likely price tag—although Slater, Walker would probably hope initially for something nearer 4 per cent—the group as a whole is worth around £3.6m. Its profits last year were in excess of £500,000 and after the degree of consolidation which is taking place, should be higher.

At first sight this would appear to be a proposition worth looking at. But the likelihood is that few will be willing to touch it. In the first place two of the component parts—the old Slater and National groups—have recently been on the market. The major groups weren't interested then, and they are very unlikely to be interested now—fears of becoming involved with the Monopolies Commission apart.

With a unit trust group the size of Slater, investment management is almost the least of the worries which would face a potential purchaser. The big problem is administration. And any few organizations could find the right kind of "back room" operation which would be essential to run such a big group with any kind of success.

Slater, Walker refuses to tell how large a staff it has looking after its unit trusts and ancillary services, but it can be compared with the M & G group.

M & G has 21 funds of its own worth £200m and looks

after the administration of 16 or so stockbroker funds besides its bond fund activities. Altogether M & G has a total of £400m worth of funds under management. Slater has £180m of unit trusts, and with private clients after about £300m in all.

At M & G there are 56 persons employed in the various administrative fields—registration, unit dealing, accounting, price calculation and the like—before considering the investment and research departments.

A telling example, perhaps, of the magnitude of the work involved in running a group the size of Slater is that at the moment 88 reports (annual and half yearly) have to be prepared, printed and distributed each year.

The only kind of organization capacity required are the big unit trust groups and the clearing banks. Barclays is not big enough, but it is big enough to take over Slater, Walker and National Westminster are already well established.

This leaves Midland which has recently put its big toe into the water with its acquisitions of the Drayton interests. But this stage Midland seems to prefer to build up its own image rather than acquire a second-hand reputation.

The reputation of the industry has to be watched.

Unit-holders in the ex-Jessel Slater funds have seen a change in management three times already in the last decade and now have the possibility of a fourth owner. The ex-National holders have been with three management companies in many years. May be it doesn't matter too much, but unit-holders must be tired of having their interests shuffled around.

This leads to the next point. One major scandal and the failure of three city groups to take over Slater, Walker, has been there for all to read about. Now, there is Slater, Walker and its problems and its major unit trust commitment in the wake of all this, it would be understandable, if mistaken, for unit-holders and potential investors to wonder about the reliability of the unit trust industry.

The best solution, of course, is for the Slater unit trust group to be kept as the flagship of a new Slater, Walker group under those two stalwarts, investment director Brian

Banks and Jim Nichols who have done a good job.

For it is certainly likely that the unit trust group is the most precious asset of Slater, Walker at the moment. Given its private client department and Slater, Walker Insurance Company, the foundation is there for a strong financial service, although a lot of juggling—such as unit-linked assurance—will be necessary to bring it into the Save and Prosper/M & G class.

Working on the "business as usual" principle, the Slater, Walker duo are looking to the future and the prospect of merging some of those 44 unit trusts. The long-standing problem of stamp duty payable on unit trust mergers has finally been overcome after industry consultations with the Inland Revenue. Although it will take a longer time to accomplish than originally envisaged, the Slater unit trust merger committee is now back at work.

But if the final decision is for dismemberment, it seems that like Caesar's Gaul, the Slater, Walker unit trust group would be divided into three and the original components sold off individually. At the same time, despite these changes, it is still possible to identify the three parts.

Margaret Stone

Insurance

Putting capital into Save As You Earn

Genuine inflation-proofed investments are few and far between. One of the most satisfactory is available only to those of national retirement age.

It is the index-linked issue of National Savings certificates. Up to £500 can be invested and this will be revalued in line with the retail price index over the five-year life of the certificate. And, at the end of that period, there is a bonus equivalent to 4 per cent of the original investment. The whole contract is tax-free.

For those of us who do not qualify on age grounds for that type of contract, there is the new index-linked Save As You Earn contract from the Department for National Savings—but not from building societies or trustee savings banks.

Contributions of up to £20 per month are made over five years. These become index-linked as they are made, provided no withdrawal is made during the first five years. At the end of the five-year contribution-paying period, the updated value of the contributions can be taken.

If they are left invested for a further two years (with no more contributions having to be paid), they will remain

index-linked and, after a total of seven years, will be withdrawn together with a bonus equivalent to two monthly contributions. Here again, no tax is payable.

While this is a good way of securing index-linking (but only an increase of 6 per cent per annum for withdrawal after one year but before completion of the five years), it is not everybody who wants to take on an extra commitment of say, £20 per month. On the other hand, capital may be available.

For instance, it looks as though putting on a tax-free basis will be better than the fixed return from a building society—which is subject to the investment income surcharge and higher rates of income tax.

One way of using capital to pay the contributions to SAYE is simply to draw money out of a building society share account. It is unlikely that a building society will be prepared to operate a "standing order" withdrawal.

An alternative arrangement (which can have attractions for a high rate taxpayer) is to pay over a discounted capital sum at the outset, since the "discount" (as it is not actually paid) will be completely free from tax.

This can be achieved by buying a five-year capital protected term annuity with the benefits payable on a monthly basis. The idea is that the benefits from the annuity will pay the monthly contributions to the SAYE contract.

In most cases an insurance company will make the calculations and say how much capital is needed so that one receives £20 a month after the deduction of basic rate tax on the interest element of the annuity.

So far, so good. But if there is an increase in basic rate tax, whereas £20 a month will have to be paid to the SAYE contract, less than £20 will be received from the insurance company.

It can be argued that this is only a small point; after all, one should be prepared to meet the fairly small difference. And should there be a worth while reduction in the basic rate of tax, the annuity will show a modest "profit".

An annuity from Cannon Assurance caters for this eventuality. The purchase price is £1,100—to pay £20 a month over five years (total £1,200) net of tax on the interest element. Cannon undertakes to pay £20 a month net, even if the basic rate of tax should rise to 50 per cent.

So, although this is not a highly competitive annuity rate, there is that useful safeguard. The annuity is capital protected; in the event of death during the first five-year period the original investment will be returned, less the gross payments already made.

The position with the SAYE contract in the event of death during the first five years (but after the first year) is that the revalued contributions will be returned.

While high rate taxpayers may benefit from using the annuity method to convert capital into monthly contributions, it must be remembered that it is only basic rate tax which is deducted from the monthly payments made by the insurance company. Even Cannon's guarantee to meet the "tax" up to a rate of 50 per cent applies only to basic rate tax.

That guarantee cannot be used by anyone paying tax at appreciably more than 35 per cent as a result of the investment surcharge and/or higher rate tax.

Higher rate tax will have to be paid on an annual basis (together with other higher rate tax on investment income). But, of course, this tax is payable only on the interest element of each payment. This is quite modest—hence Cannon's will-

ingness to meet basic rate tax up to 50 per cent on the interest element.

The "catch" to the SAYE index-linked contract is that the index-linking applies only as the contributions are made. Thus, although a capital sum may be paid to secure an annuity at the outset, it is not that capital which will be index-linked.

It is only the monthly contributions, as they are paid over, which become index-linked. Thus, whatever method is used for converting the capital into monthly contributions, there is no hope for the original capital sum to keep pace with inflation in today's conditions.

The effect of the index-linking's application only to the monthly contributions is to dilute greatly the effect of the index-linking on the initial capital sum.

One must, however, be thankful for small mercies. The fact that there is a way of achieving index-linking on a tax-free basis should not be overlooked. Nor should it be dismissed on the grounds that the amounts involved are quite small.

For a high rate taxpayer index-linked SAYE is a fine investment, provided the money can be left invested for five or seven years.

John Drummond

Readers ask

Some more ins and outs of Capital Transfer Tax

In view of the great interest that readers have shown in this series on capital transfer tax, this week's article is devoted to discussing more of questions and comments.

A reader tells me: "Earlier this year I took out a diminishing term assurance policy with Phoenix Assurance in favour of my sister, a United Kingdom resident, whom I appointed as a trustee for the policy. The benefits are expressed in United States dollars and the policy is now lodged with her for safekeeping."

"Although I am a British subject I have been a permanent resident of the Republic of South Africa for the past 18 years."

"In the light of the foregoing, would this 'gift' be defined as 'property outside the United Kingdom' by virtue of its expression in United States dollars and would it be subject to CTT because the policy was issued in London and held in safe custody in the United Kingdom?"

The policy will be regarded as foreign property only if the Life Assurance Company, with whom the policy is taken out, is situated abroad. However, even though the company may be a United Kingdom one, the premiums may well be exempt from CTT under the £1,000, £100 and normal expenditure rules discussed in earlier articles. A CTT benefit from owning foreign property accrues only to those who are not domiciled in this country.

I would just make the point here that to have been not a resident in this country for the 18 years does not of itself change one's domicile from the United Kingdom to some other country.

The next letter concerns a sale at below market value. "About three years ago my son bought a house on the coast with the intention that it should be for my wife and myself when we settled permanently after retirement in full, this coming Christmas. He paid some £8,000 for it and had had improvements totalling £1,500. The market price is roughly £16,000 today, on a slightly rising market."

"It was always his intention when I retired permanently to sell me the house at cost. I have been using the house at weekends and holidays as if it were mine and have furnished it as such. Will he (in these circumstances) have to pay CTT if he sells as described, and if so could a figure of the market price when I first occupied the house be agreed on the grounds that the transfer was to be made on my permanent retirement, and he was willing to wait for his money until I had sold my own house?"

"Also, is there any way of incorporating over two or three years gifts per annum of £1,000 by myself and wife to cover the balance if the Inland Revenue takes the view that it must be considered at market price?"

This is a clear case of a sale at undervalue, where the difference between the sale proceeds and market value will be treated as a "chargeable transfer", and hence will be liable to CTT if the son's cumulative total of chargeable transfers exceeds £15,000.

The market value which must be used is the one which exists on the day the title to the house changes hands, that is, the contract date. If this is £16,000, the difference will be £5,000 (£16,000 less proceeds of £11,000).

If the son bears the capital transfer tax on the difference there will be a grossing up problem resulting in a larger amount of tax. It would be preferable, therefore, for the father to bear the CTT, if it is at all possible.

There is no reason why annual gifts of £1,000 (or £1,100 if no other small gifts are made) by both father and mother to son should not be made to take advantage of the exemptions, or the other way round, from son to father, if the latter pays the tax.

Another reader writes: "My father-in-law died in 1957, leaving the bulk of his net estate in trust with the Public Trustee for the benefit of his widow and three daughters. Nine tenths of the income is paid during her lifetime to the widow (now 98), and one-tenth to his eldest daughter. On the death of the former, the eldest daughter's share increases to four-tenths."

The remaining income being shared between the two other daughters. After the death of both the widow and eldest daughter the trust comes to an end, the capital being shared between the surviving daughters of the offspring.

"I had been advised, soon after the 1975 Act was passed, that under the circumstances no charge for CTT would rest on the capital of the trust on the death of the successive beneficiaries. The sum involved is fairly substantial, and if the provisions of the Act, as you described them, apply the effect

of successive CTT charges could be pretty serious for an aging family, even if Quick Succession Relief happened to offer some help."

Under estate duty, where one spouse settled funds on the other, duty was payable on the settlor's death, but provided the surviving spouse had an interest in possession (in other words, was entitled to the income) no estate duty was payable on the subsequent death of that spouse.

This exemption has been carried on into CTT in that where the settlor spouse has died before November 13, 1974, and estate duty has been paid, the property in which the surviving spouse has an interest is free of CTT when it passes to another. In this reader's case, therefore, no CTT is payable on the widow's death.

I would have thought, though, that tax would be payable on the death of the eldest daughter (on the four-tenths share, assuming her death succeeds her mother's).

On the subject of intestacy a reader writes: "My father died, intestate, four months

ago. My mother and I have obtained Letters of Administration. The estate is worth, say, £21,000. Am I right to believe that I am supposed to invest £18,000 on my mother's name and £3,000 in mine (no brothers or sisters) and that there will be no capital transfer tax to pay?"

The position here is that mother is entitled to the personal chattels of her deceased husband plus a legacy of £15,000 (with interest) and a life interest in one half of the remaining estate, which, ignoring chattels and interest, would amount to the £18,000 mentioned by this reader.

Mother's share is free of CTT and the remainder is only liable if, together with any "chargeable transfers" made by the deceased since March 26, 1974, it exceeds £15,000.

The reader continues: "I have read that there is a clause in the CTT provisions which enables the family to arrange the estate of the intestate to suit their mutual desires within two years of death. Does this mean that I can transfer £15,000 of my father's estate to me, the daughter, or to A. N. Other, without this counting as a transfer from my mother's assets?"

Yes, this is so. Under Section 47 of the Finance Act, 1975, where a deed of arrangement or similar instrument made not more than two years after death varies the dispositions under a will or intestacy, CTT is chargeable as if the revised dispositions had been made by the deceased in place of the original.

There is no definition of "similar instrument", but in practice the Revenue take the view that the section may be regarded as covering any situation in which property disposed of by the deceased (whether by will or on intestacy) is by deed, or formal correspondence re-distributed within the family, or to beneficiaries under the will or intestacy.

The introduction of a member of the deceased's family who was not an original beneficiary would not exclude the relief provided by the section, but it would not cover the introduction of a stranger who was not a beneficiary.

The mother would, of course, have to signify her agreement to the revised arrangements.

Finally, an excuse coupled with a correction. In trying to simplify such a difficult subject as tax there are times when the reader can be led astray. An instance of this arose when discussing trusts and capital transfer tax implications when there is a change in the life tenant.

I said: "If he sells his interest, there are no CTT problems provided payment is for full market value." Fearing that this might be misleading the Board of Inland Revenue has asked me to point out that "The relevant provision is in paragraph 4(4) of Schedule 5 of the Finance Act, 1975, and says that if the owner of the interest disposes of it for a consideration in money or money's worth, tax shall be chargeable as if the value of the property in which the interest subsisted were reduced by the amount of the consideration."

The full market value of the interest is bound to be less than the market value of the property so there will normally be at least a partial tax charge whenever a limited interest is disposed of, even if it is sold for its full value.

For those who find the board's explanation not entirely clear it might be helpful to point out that for CTT purposes what has to be taxed is the total of the market values of each asset held by the trust. If the outgoing life tenant is entitled to the whole of the income then the whole of the assets are liable to CTT. If he has a half share in the assets then one half of the assets are taxable and so on.

The point is that the proceeds from the sale of the life tenant's interest in the whole or a lesser part of the income of the trust may be less than the market valuation of the trust's assets. Indeed, it probably will be so where the seller's share in the income is less than 100 per cent.

In such a case the difference constitutes a "chargeable transfer" of the life tenant, although the CTT, if any, is payable by the trustees. The £1,000 exemption cannot be claimed.

Just to complete the picture there may, of course, be a capital gains tax liability as well.

Vera Di Palma

Fixed interest investment

Making a case for short-term action

Opportunities for buying gilts materialized, as I expected, at the end of October: but don't despair if you failed to take advantage of the first lot. There are more on the way. Sterling, to be sure, has steadied since the Americans first cut their prime rates a week ago, and yesterday's quarter point cut in the Citibank rate to 7½ per cent will do it no harm either.

All the same, I think sterling might well be feeling the draught again in the next few days. This is because the potestates of Abu Dhabi are now set to settle the weighty problem of what to do with their £100m of oil revenues, and there is no telling whether or not they are going to leave them in Britain.

But I wouldn't seize the opportunities to move into gilts unless you are prepared to pull your money out as soon as Christmas—and blow the capital gains tax concessions—or want to leave it there until maturity. I think you will see enough of a gain by Christmas to make the operation worth while, even if you are buying through a broker, and the money can be left invested for five or seven years.

There is also the case of Treasury Bills, which you buy at a discount and, strictly speaking, receive all your return in the shape of capital gain: these are, however, such short-term instruments of investment that you are most unlikely to get away with paying nothing more than capital gains tax unless you use the market very infrequently indeed.

Capital gains tax is payable on profits made on all forms of negotiable securities with the exception of gilt-edged stocks where they are held for more than a year and a day. Yearling bonds held to maturity will of course show no gain, but you will pay it if you realize them at a profit during the year—unless, as is likely, the Revenue decides that you are making a practice of taking a profit rather than income, in which case you will be knocked for income.

And one final point on the tax concession on the income of ordinary deposits with the National Savings Bank (the Post Office) and the Trustee Savings Bank. The first £40 of income (on a £1,000 investment) is free of all tax—and not merely of tax at basic rate.

Adrienne Gleeson

Mortgages

Interest relief fears

After a long period when both the Government and building societies had the first-time housebuyer uppermost in their minds, their attention has now swung to another sector of the population: the existing owner-occupier.

Although the proportion of first-time buyers has dropped from 60.4 per cent of all mortgages in 1971 to 50.8 per cent last year and 46.5 per cent in the first-half of this year, this is by no means nearly as worrying a situation as the unwillingness of second-time buyers to trade upwards and thus release more lower priced houses for those coming up on the housing ladder.

The reasons for people's reluctance to increase their financial commitments on housing are not hard to find. Inflation, higher rates, greater fuel bills and possibly higher travelling costs are all factors which are being borne in mind. There is also a nagging uncertainty as to the Government's intention in respect of mortgage interest tax relief.

On Thursday there were reports that a Transport House committee, including Mr Anthony Crosland, Secretary of State for the Environment,

were against cuts in tax relief on mortgage interest payments. Although it still appears that limiting tax relief to basic rate tax relief only is still a possibility.

The only previous exercise in limiting mortgage interest relief—its abolition on loan interest in excess of £25,000—has clearly made an impact. It is questionable whether the impact has, in fact, been beneficial to the housing market as a whole.

For the immediate cut-off of mortgage relief at this point on new loans (there were transitional arrangements for existing mortgagors who had loans in this category) is seen as another inhibiting factor in the progression of movement on the housing ladder.

What is becoming increasingly apparent from the rumors and narrow attention given to individual sectors of the housing market is that it is frequently counter-productive to design policies which are at giving relief or removing it from one sector of the housing market or another.

The housing market is an integral unit and discrimination in any one part does throw up unwelcome distortions.

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\$ Forward bargains are permitted on two previous days.

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